



Daily Report

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NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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General

Foreign Ministry Holds Weekly News Briefing

Gulf Crisis Viewed

HK1511113890 Hong Kong AFP in English 1131 GMT
15 Nov 90

[Text] Beijing, Nov 15 (AFP)—China said Thursday that it still sees a chance for a diplomatic solution to the Gulf crisis, as an Egyptian envoy flew into Beijing with a secret message from President Hosni Mubarak.

In a weekly press briefing, Foreign Ministry spokeswoman Li Jinhua said China would still seek to avert war over Kuwait in the wake of Foreign Minister Qian Qichen's tour of the Middle East this past week.

"China has made—and will continue to make—efforts (toward) promoting a peaceful settlement in the Gulf," Mrs. Li said.

She spoke as Egypt's minister of state for foreign affairs, Boutros Ghali, arrived in Beijing on a three-day mission to discuss the Gulf. Sources at the Egyptian Embassy said he brought with him a message to Chinese leaders from Mr. Mubarak, the contents of which they did not divulge.

Other pleas for more diplomatic efforts came from President Yang Shangkun, who told visiting President Carlos Menem of Argentina that it was China's "desire" to see the Gulf crisis settled peacefully. "China does not want to see war in the Gulf. It would produce serious consequences," Mr. Yang was reported by the New China News Agency as saying.

He said China was "willing to make contributions" to a Gulf peace settlement in the wake of Mr. Qian's tour of Egypt, Jordan, Saudi Arabia and Iraq, which ended Tuesday.

During a full morning of intensive talks, Premier Li Peng and Indonesian President Suharto—here on a six-day state visit—similarly "hoped for a peaceful solution to the crisis." "They expressed concern over the increasingly grave situation in the Gulf," and demanded Iraq's immediate pull-out from Kuwait while endorsing United Nations sanctions, NCNA said.

China plays a pivotal role in the Gulf crisis, as it has the power to veto United Nations resolutions as a permanent member of the Security Council.

Diplomats here believe China would not veto a U.N. resolution endorsing the use of military force to oust Iraq from Kuwait.

Indonesia is significant as a leading member of the Organization of Petroleum Exporting Countries, and as the world's most populous Moslem nation. Argentina has meanwhile contributed a warship to the multinational force in the Gulf.

Journalistic Rules Noted

HK1511115790 Hong Kong AFP in English 1156 GMT
15 Nov 90

[Text] Beijing, Nov 15 (AFP)—Foreign and Chinese journalists from now on will not be allowed to be present during the first minutes of official banquets or the exchange of official toasts, the Chinese foreign ministry said Thursday.

"I guess you cannot get any valuable news in a banquet," said Foreign Ministry spokeswoman Li Jinhua, calling the move "a kind of reform."

She said the decision was made at the request of some Chinese journalists, who apparently have little professional appetite for this type of coverage.

"Some Chinese correspondents say they didn't like to cover the banquets, since all kinds of remarks made at the banquet will be publicized," she said.

Mrs. Li denied it was a further attempt to keep foreign reporters from meeting Chinese and foreign dignitaries.

Photographers, television crew and reporters found out about the new policy when they arrived to find the doors closed at a banquet Wednesday for Indonesian President Suharto.

Since last year, journalists have also been barred from government offices adjoining the Forbidden City.

Mrs. Li eluded a question from an American reporter asking her to say whether the monitoring of foreign reporters was legitimate.

The foreign correspondents club here has protested several times against the increasingly common practice.

She also refused to comment on a report based on official sources which said reporters considered "friendly" to the government would receive small favors, one of a series of measures designed to bolster China's image abroad.

Another move, according to the report, would see a special office set up to oversee resident and visiting correspondents.

DPRK Premier To Visit

OW1511090990 Beijing XINHUA in English
0854 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—Premier Yon Hyong-muk of the Administration Council of the Democratic People's Republic of Korea will pay an official goodwill visit to China from November 23 to 27 at the invitation of Chinese Premier Li Peng, a Chinese Foreign Ministry spokeswoman announced at the weekly news briefing here this afternoon.

Finnish Delegation To Visit

OW1511091790 Beijing XINHUA in English
0903 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—An eleven-member delegation of the Finnish Parliament headed by its first deputy speaker, Elsi Hetemaki Olander, will pay a good-will visit to China starting from November 16.

The delegation is invited by the Standing Committee of the National People's Congress of China. This was announced by a Foreign Ministry spokeswoman at the weekly news briefing here this afternoon.

Article Views New Mideast Peace Efforts

HK0511075890 Hong Kong TA KUNG PAO in Chinese
5 Nov 90 p 2

["Political Talk" column by Shih Chun-yu (2457 0689 3768): "A New Round of Mideast Peace Efforts"]

[Text] Shuttle Missions by Government VIPs From Various Countries

The Middle East is again bustling with activity this week. To resolve the Gulf crisis, government VIPs from various countries are busy with their shuttle missions. This is a new round of seeking a peaceful resolution proposition. If it fails to yield any positive results, the shadow of war will loom larger.

Those making new endeavors for peace include former Japanese Prime Minister Yasuhiro Nakasone, former West German Chancellor Willy Brandt, former New Zealand Prime Minister David Lange, and Chinese Foreign Minister Qian Qichen. They will make consecutive visits to Baghdad and are expected to meet with Saddam Husayn. U.S. Secretary of State James Baker is also on a shuttle tour to the Middle East and following him, George Bush will visit that area. The day before yesterday, Iraqi Foreign Minister Tariq 'Aziz suddenly visited Amman to meet King Husayn of Jordan, who had just returned from a visit to Oman and yesterday flew to Paris to meet French President Francois Mitterrand, who had just returned from Cairo. These activities are centered around the question of peace or war in the Gulf, which common people are very much concerned about.

The United States and Iraq issued a series of confusing signals on the question of peace or war during the last few days.

On the part of the United States, in his midterm election activities in the various states, Bush's remarks became more and more uncompromising. He repeatedly said: "I have had enough" and "I cannot stand it any more." Baker echoed Bush. Bush himself said, however, that he hoped to bring the Americans home without firing a shot. His Chief of Staff John Sununu also said that the President would try his best to use every diplomatic tool to avoid war.

The United States Flashes Confusing Signals

It is said that some senior government officials could not clearly understand from Bush's ambiguous remarks what he intended to do. Some thought that his remarks were the repeated use of psychological war tactics; others believed that Bush was putting on a show of tension in an attempt to divert attention away from the budget bill; and still others said that, greatly agitated, Bush had been actually wavering all along.

The confusing signals naturally threw the U.S. allies into confusion. One of the purposes of Baker's current tour to the Middle East and Europe is to clarify American intentions. If Bush really "has had enough" this may possibly be America's last peace effort in the Middle East.

The same thing goes for Iraq. Since the Gulf crisis, through its Arab allies, Iraq has sent up many trial balloons. They were deflated in turn by government officials. Saddam and his subordinates also made different statements of position. Recently, at a meeting with Edward Heath and in an interview with a reporter from the U.S. Cable News Network, Saddam adopted an attitude of having no room for changes at all. Yesterday he called a fourth military meeting to show that he would not hesitate to conduct war.

On the other hand, Iraq released three captured French soldiers and claimed that all European workers would be released on the condition that the Security Council, or two out of the five nations (Soviet Union, France, Germany, Japan, and China), will guarantee that they will not attack Iraq.

Qian Qichen's Tour Attracts Attention

Naturally, the move is aimed at dividing the anti-Iraq alliance. There is possibly another implication to it. The five nations mentioned by Iraq have no intention of attacking Iraq on their own initiative. If Iraq wants them to guarantee that they will not attack, this will possibly mean that it has the intention of seeking a ladder to step down. If it wants the five nations to guarantee that the United States will not attack, that implies another intention. Some analysts pointed out: This possibly shows that Saddam has realized that war is inevitable and hostages can no longer play their roles as shields.

The visits by officials from Japan, Germany, and China to Baghdad at this moment will help clarify some issues. Of these visits, Qian Qichen's tour attracted the most attention. His visit to Baghdad will be the first one ever by the foreign minister of one of the five permanent members of the Security Council since the Gulf crisis began. China firmly supports the Security Council resolutions denouncing Iraq but at the same time, it opposes armed intervention by the big powers. China favors a settlement of the crisis through consultations among Arab nations. Such being the case, China holds a relatively detached position. Whether or not Qian Qichen can be outstandingly successful, is being watched closely.

New U.S. Policy On Gulf Crisis Viewed

HK1511091590 Beijing RENMIN RIBAO in Chinese
14 Nov 90 p 6

[Article by staff reporter Zhang Qixin (1728 0796 2500):
"New Changes in U.S. Countermeasures on the Gulf"]

[Text] Recently, there have been changes in U.S. policy decisions on the Gulf crisis, a tendency that has attracted people's attention.

On 8 November, the Bush administration announced that it had decided to send a large number of additional troops to the Gulf region to enable U.S. troops "to take offensive military action" in the Gulf. Before and after the United States officially announced an increase in troops, James Baker, secretary of state, visited the Middle East and seven countries in Europe in the first 10 days of November, striving for the relevant countries' support for this policy decision.

The present U.S. military deployment and diplomatic actions show that as the Gulf crisis continues unresolved, the United States has not abandoned attempts to resolve it through diplomatic and political channels, but it is adopting the "military choice" more and more in order to force Iraq to withdraw from Kuwait.

The new military and diplomatic moves are recent steps adopted after appraising and measuring the Gulf situation. In the past two weeks and more, the United States has frequently censured Iraq for not withdrawing from Kuwait and for detaining Western hostages; the wording has become more severe with each passing day. In his speeches, President Bush has expressed more than once, that the United States cannot wait for Iraq to withdraw from Kuwait and there is a limit to U.S. patience. In a speech delivered to the "committee for world affairs" in Los Angeles not long ago, Baker clearly and definitely warned Iraq that "if Iraq continues to occupy Kuwait, (the United States) will not rule out the possibility of using force." In last 10 days of October, Richard Cheney, secretary of defense, disclosed to a U.S. television network, that the United States would increase its military forces in the Gulf and the number would be determined by the development of the situation. It can be seen that earlier, the U.S. Government had a definite opinion on sending additional troops to the Gulf and expanding its military disposition, but due to the mid-term election at home and the further sizing up of reaction abroad, they put off the date for the announcement.

Deciding to send a large number of additional troops is not a partial military action for the United States. Although the U.S. Government did not disclose specific figures, judging from indications, after an increase in troops, the total military strength of the United States will increase from 230,000 men at present to some 400,000 men who are equipped with excellent, powerful weapons; it will mass six operational aircraft carrier groups and dozens of warships in the Gulf and nearby waters. Since the war, the transfer of such huge military

forces to a region abroad and the concentration on it by the U.S. has rarely been seen. Commentaries from American press circles therefore, stated that following this military disposition, the U.S. military strategy would change from a "defensive" to "offensive" one.

Analysts here maintain that there are many reasons why the United States decided to increase its troops in the Gulf. The main reason is that greater pressure has been exerted on Iraq. The U.S. policymakers hold that although the UN Security Council has adopted many resolutions, demanding that Iraq withdraw from Kuwait unconditionally, and restore the sovereignty and territorial integrity of Kuwait; and have applied sanctions against Iraq in many aspects, including the economic aspect, since Iraq invaded Kuwait, they have been ineffective and Iraq has not changed its original intention, so further pressure is needed to urge it to change. While announcing the decision on an increase in troops, Bush stated that this was to give "a stronger signal to Saddam Husayn" and to show that the United States has not only the determination to use force, but also the ability to take offensive military action in the Gulf to compel Iraq to make a choice between withdrawing from Kuwait on its own initiative or being driven out by force.

Second, the United States is in a difficult military situation and has a heavy economic burden. The U.S. policymakers maintain that the present deadlock in the confrontation between the U.S. and Iraqi troops on the Kuwait-Saudi Arabian border is disadvantageous to the United States. At the beginning of August, under the pretext of protecting Saudi Arabia from Iraqi attacks, the United States sent a large number of troops to the Gulf and completed its defensive military deployment. Nevertheless, as the United States has stationed several hundred thousand soldiers in the desert region, many problems of logistic support are brought about, and low morale and discontent at home are also on the increase. A large-scale increase in the U.S. troops makes its military disposition an offensive posture, with the intention of breaking the deadlocked, passive situation. People here believe that an increase in troops is a difficult choice the Bush administration has made and will produce inestimable consequences on the Gulf situation.

It now appears that the move to increase troops has merely enabled the United States to make good preparations for the so-called "military choice." Whether or not the United States will finally resort to arms will also be determined by many factors at home and abroad. Viewed internationally, Baker did not achieve what he had wished to on his visit to the seven countries. According to comments in American newspapers, the countries concerned are unanimous in opposing the Iraqi invasion, demanding that Iraq withdraw from Kuwait according to the resolutions of the Security Council, and restoring the sovereignty of Kuwait, but in seeking a way to resolve the Gulf crisis peacefully, they each have different views on issues including whether force is to be used or not. In the United States, with the "military choice" becoming more apparent with each passing day, the debate on why the United States is eager

to use force and what cost it will have to pay, is gradually being put on the agenda. Confronted with all sorts of emerging problems concerning diplomacy and internal affairs, U.S. policymakers will find it even harder to make a choice.

Article Views U.S. Cambodia Policy Changes

OW1411061190 Beijing GUOJI WENTI YANJIU
in Chinese No 4, 13 Oct 90 pp 34-37

[Article by Pan Tongwen (3382 0681 2429): "Why Did the Bush Administration Change its Policy Toward Cambodia?"]

[Text] U.S. Secretary of State James Baker announced in Paris on 18 July the Bush administration's decision to withdraw recognition of the UN seat of the coalition government of the Cambodian resistance forces; to continue to support the two resistance factions of Sihanouk and Son Sann; to hold direct dialogue with the Vietnamese Government on the Cambodian issue; and to prepare to increase humanitarian aid to Vietnam and the Phnom Penh regime. Baker's announcement indicates substantial changes in the Bush administration's Cambodian policy. The policy changes would affect efforts to seek a complete political solution to the Cambodia issue. They also signal the Bush administration's plan to return to Indochina through Vietnam.

To oppose Soviet expansion in Indochina and strengthen Sino-U.S. relations, the U.S. administrations that came to power after Carter opposed Vietnam's occupation of Cambodia with Soviet support, and the Phnom Penh regime installed by Vietnam. They opted to support the coalition government of the Cambodian resistance forces composed of the three factions led, respectively, by Sihanouk, Son Sann, and the Khmer Rouge. Bush continued this policy after he assumed power. With the gradual easing of U.S.-Soviet ties, however, the Soviet Union's gradual retreat from Indochina, and the withdrawal of Vietnamese troops from Cambodia, the Bush administration decided that the Soviet and Vietnamese threats in Indochina had diminished, and that the danger of the Khmer Rouge resuming power in Cambodia had increased. After the 4 June incident, Sino-U.S. relations cooled off, with the United States no longer cherishing China's strategic role. Inside the Bush administration, attempts were made to adjust the goals of the U.S. Cambodian policy and to deflect the thrust of opposition from Vietnam and the Phnom Penh regime to the Khmer Rouge. The U.S. Cambodian policy is based on three goals: to effect a withdrawal of Vietnamese troops from Cambodia, to prevent the Khmer Rouge from resuming power, and to allow the Cambodian people to exercise self-determination through free and fair elections. Considering the withdrawal of Vietnamese troops from Cambodia basically complete, the Bush administration has now shifted the focus of its Cambodian policy from the first goal to the second. Baker's announcement was meant exactly for this. The shift of focus constitutes

the basic reason for the changes in the Bush administration's Cambodian policy. In the past few months, the Khmer Rouge successively has made "stunning progress" on the Cambodian battlefield. Recently, the U.S. Democratic-controlled Congress has intensified its criticism of the Bush administration's Cambodian policy, as part of its activities in connection with mid-term Congressional elections in November. The criticism led to the final decision by the Bush administration to change its Cambodian policy.

Baker and other high-ranking U.S. officials have admitted openly that the changes in the Bush administration's Cambodian policy are intended to "try every possible means to prevent the Khmer Rouge from resuming power." For this reason, the Bush administration made a sweeping 180-degree turn on which alliance to oppose. In addition to deterring the Khmer Rouge, once a U.S. ally, the Bush administration joined in a cooperative partnership with Vietnam and the Phnom Penh regime, which it formerly opposed. It also stepped up talks with the Soviet Union and distanced and estranged itself from China. This is the biggest difference between the Bush administration's new and old policies toward Cambodia. The general concept of the Bush administration's new policy is to concentrate on trying every possible means to isolate and deter the Khmer Rouge, forcing it to the negotiating table from the battlefield to contain its expansion of power. It is also designed to coax and pressure Vietnam and the Phnom Penh regime into accepting a complete political solution to the Cambodian issue, to oust the Khmer Rouge by holding free and fair elections under UN supervision, to continue to support Sihanouk and Son Sann as a way of sowing discord between them and the Khmer Rouge, and to strengthen the position and influence of these two factions in any future elections. Specific steps to realize this general concept include withdrawing recognition of the UN membership of the coalition government of the Cambodian resistance forces; opposing actions that may "legitimize" the Khmer Rouge; pressuring China into cutting or halting arms supplies to the Khmer Rouge; strengthening U.S.-Soviet coordination and cooperation; holding direct dialogue with the Vietnamese and Phnom Penh Governments and promising to restore relations with them and provide assistance; and continuing to provide aid to Sihanouk and Son Sann. Robert Kimmitt, the U.S. under secretary for political affairs directly responsible for formulating the Bush administration's new policy toward Cambodia, has acknowledged that the Khmer Rouge is a powerful force in Cambodia, impossible to defeat on the battlefield. Therefore, the best way to prevent it from resuming power would be to bring it to the negotiating table from the battlefield and "confine it to the process of seeking a political solution." This is the central idea of the Bush Administration's new policy toward Cambodia.

However, this new policy is largely wishful thinking, and is difficult to realize.

1. The Goal of Isolating and Deterring the Khmer Rouge Will Be Difficult To Attain.

The Bush administration's withdrawal of support for the UN membership of the coalition government of the Cambodian resistance forces is an attempt to isolate and deter the Khmer Rouge in the international community by no longer providing what James Baker calls "diplomatic cover." This action by the Bush administration, however, has encountered opposition in many quarters, especially within ASEAN. Since 1982, ASEAN has lent full support to the coalition government of the Cambodian resistance forces and made active efforts to seek a political solution to the Cambodian issue. While opposing the use of force to seize political control in Cambodia, the ASEAN is also against the exclusion of the Khmer Rouge. Its member countries are afraid that their efforts to resolve the Cambodian issue will be set back by the U.S. Government's abrupt withdrawal of recognition of the coalition government of the Cambodian resistance forces. Despite James Baker's attempts to explain and persuade during the ASEAN-U.S. dialogue, ASEAN member states remain "puzzled" by the Bush administration's action. They have indicated their continued support this year for the UN membership of the coalition government of the Cambodian resistance forces, if the Cambodian Supreme National Council is not created in time to replace the coalition government. Sihanouk and Son Sann, in particular, are strongly opposed to the Bush administration's action, calling it an "extremely serious act of injustice" and an "incentive" for Vietnam's expansionism. The ouster of a UN member country requires the approval of two-thirds of the entire membership. The U.S. Government's action certainly will fail to secure that much support at the UN General Assembly's fall session.

The U.S. refusal to allow the Khmer Rouge to participate in the settlement of the Cambodian issue as an equal partner has also met with general opposition. ASEAN member countries have indicated that the Khmer Rouge should not be excluded from the process of seeking a political solution to the Cambodian issue, on the grounds that it is the main force against the Vietnamese invasion and an important political force in Cambodia. Besides objecting to the exclusion of the Khmer Rouge, Australian Foreign Minister Gareth Evans has said that any settlement of the Cambodian issue that is unacceptable to the Khmer Rouge will not bring peace to Cambodia. Sihanouk and Son Sann share his view, despite some of their differences with the Khmer Rouge. In June, Thailand jointly hosted a meeting with Japan in Tokyo and endorsed the Tokyo Agreement that in effect excludes the Khmer Rouge. Thailand has changed its attitude lately. Thai Premier Chatchai Chunhavan recently said that the Khmer Rouge should be granted the same status in the Cambodian Supreme National Council as the other three factions enjoy. Indonesian Foreign Minister Ali Alatas agrees with the Thai premier's position and is busy preparing for another round

of talks in Jakarta, in an effort to bring the four Cambodian factions together to discuss the formation of the Supreme National Council.

Naturally, whether the Khmer Rouge will be excluded depends on its own strength. Recently, the Khmer Rouge has successively scored new victories on the battlefield, and it is getting stronger than before. Under the circumstances, it will be all the more difficult to exclude it.

2. U.S.-Vietnam Dialogue May Not Necessarily Satisfy All U.S. Wants

The Bush administration's decision to hold direct dialogue with Vietnam was meant to lure Vietnam into a compromise on finding a comprehensive political settlement to the Cambodian issue, particularly in accepting a major role for the United Nations in settling the Cambodian issue, thereby pressuring the Phnom Penh regime. The Bush administration promised restoration of relations and economic assistance if Vietnam helps find a satisfactory solution to the Cambodian issue. Vietnam has welcomed the U.S. decision to holding a dialogue. Its foreign minister, Nguyen Co Thach, indicated that Vietnam "wishes to cooperate with the United States and to promote settlement of the Cambodian issue." He also declared that Vietnam "will not abandon its friends in Phnom Penh in order to obtain American aid." Vietnam and the Phnom Penh regime have consistently refused to agree to hand over administrative and military power to the United Nations during the transitional period prior to the elections in Cambodia, saying that "abolishing the existing political power and military apparatus" is "dangerous" as it "will bring chaos to the entire Cambodian territory." Recently, Nguyen Co Thach even declared that the interim administrative and military arrangement for Cambodia during the transitional period decided by the five permanent members of the UN Security Council on 16 and 17 July this year "is a matter of Cambodia's sovereignty. Only the Cambodians can decide this, and no foreign countries can impose their will in this matter." Nevertheless, Vietnam is still expected to make some compromises. This is because Vietnam, after all, very much needs to restore and develop at an early date its relations with the West, particularly the United States, in order to solve its severe economic difficulties and end its international isolation. How much compromise it will make and how soon it will do so depend on U.S. willingness and ability to use its influence. Vietnam and the Phnom Penh regime highly "cherish" the administrative and military power under their control in Cambodia, and they are very reluctant to readily hand over this power. Since the Bush administration has directed its spearhead of containment at the Khmer Rouge, will it want to put more pressure on Vietnam and the Phnom Penh regime?

3. The Soviet Union May Not Be Able To Really Help the Bush Administration.

Prior to announcing a change of policy toward Cambodia, Baker met with Soviet Foreign Minister Shevardnadze for more than two hours. In early August, meeting with Shevardnadze in Irkutsk, Baker again discussed in

detail the Cambodian issue. Shevardnadze welcomed the Bush Administration's change of policy, saying the change had made the Soviet and American positions "more similar." The Bush administration had expected the Soviet Union to help the United States pressure Vietnam and the Phnom Penh regime, and the Soviet Union had expressed its willingness to cooperate with the United States. The two countries appeared to have increased their common interests and cooperation in containing the Khmer Rouge. Following decreases in Soviet aid to Vietnam and the Phnom Penh regime, however, Soviet influence has declined. Even American officials have admitted they are not sure how much influence the Soviet Union still maintains or could exert on Vietnam and the Phnom Penh regime. The Bush administration will make the most of the Soviet Union as a means to promote its new policy toward Cambodia. One must not overestimate the role the Soviet Union can actually play. After U.S.-Vietnam dialogue begins, the Soviet role may further decline. Therefore, although the Bush administration's policy change on Cambodia may further strengthen U.S.-Soviet cooperation, the Soviet Union may not provide as much help to the Bush administration as one might think.

4. China Will Not Submit to Pressure.

The Bush administration did not inform China in advance of its policy change on Cambodia, let alone consult with China on this. Even though Baker did not explicitly mention China's role when he announced the policy change, it was obvious that pressuring China to reduce or stop supplying arms to the Khmer Rouge is an important part of Bush administration's new Cambodia policy. In notifying Chinese Ambassador Zhu Qizheng of the new Cambodian policy, U.S. Deputy Secretary of State [as published] Kim-mitt stressed "the important role" China "must play in achieving a comprehensive political settlement of the Cambodian issue" as well as "the special responsibility it shoulders in reducing and ultimately ending its arms supply to the Khmer Rouge." George Mitchell, majority leader of the U.S. Senate, even clamored that China must end its support of the Khmer Rouge and that the Bush administration must not be afraid of "offending China." Apparently, all this was meant to put pressure on China. China's stand on the Cambodian issue has always been clear. Chinese leaders have expressed on many occasions that China is in favor of a comprehensive political settlement to the Cambodian issue. On the question of supplying arms to the Khmer Rouge, as soon as the United Nations verifies that Vietnam has withdrawn all its troops from Cambodia and has stopped supplying arms to Phnom Penh, China will forthwith stop supplying arms to the Khmer Rouge. It should be stated that this Chinese stand is fair and reasonable. Obviously, asking China to follow such orders in order to deal with the Khmer Rouge as well as making unilateral, unreasonable demands on China or even putting pressure on China in a rude and peremptory manner in order to oppose the Khmer Rouge will not do. China will never submit to pressure. The effective way in dealing with China is mutual respect and consultation.

In short, the Bush administration's new Cambodia policy is somewhat unrealistic. The Cambodian issue will not be resolved completely according to the Bush administration's wishes.

Although the new Cambodia policy is somewhat unrealistic, it has nevertheless attracted widespread attention, thereby propelling parties concerned to continue their efforts to resolve the issue. At present, the paramount question pending is to form, as soon as possible, a Supreme National Council composed of the four Cambodian parties; this holds the key to a comprehensive political settlement to the Cambodia issue. Their differences on this issue is whether to follow a "two parties" or "four parties" principle. The three parties of the Cambodian resistance forces advocated the "four parties" principle. In their recent joint statement, however, they also expressed a willingness to discuss this question "in the spirit of compromise." Vietnam and the Phnom Penh regime, on the other hand, have refused to discuss this matter, insisting that it was already resolved at the Tokyo conference, that according to the "two parties" principle, the Khmer Rouge can only take part in the Supreme National Council as a member of the coalition government of the resistance forces, and that its leaders should be banned from taking part in the council. If the four parties can reach an accord on the formation of the Supreme National Council at an early date, the process of achieving a comprehensive political settlement to the Cambodia issue will be greatly expedited.

The five permanent member countries of the UN Security Council [UNSC] have been working actively for a comprehensive political solution to the Cambodian problem since the beginning of this year. After eight months of arduous negotiations, on 27 August they completed the drafting of a package of documents and reached an agreement for a comprehensive settlement of the Cambodian problem. They thus created a good prospect for realizing a comprehensive political solution to the problem. It then was up to the four Cambodian parties and Vietnam to accept and implement the package of documents. The three Cambodian resistance forces always have endorsed and supported efforts by the five UNSC permanent member countries. Sihanouk issued a statement on 31 August indicating that the Cambodian resistance forces and the Cambodian national government wholly supported the latest program and peace plan proposed by the five UNSC permanent member countries and would carry them out. Therefore, the ball was now in the court of Vietnam and the Phnom Penh government. Vietnam and the Phnom Penh government always have opposed the idea that the UN should play a major role in settling the Cambodian problem. Up to 28 August, Vietnamese Minister of Foreign Affairs Nguyen Co Thach still opposed the proposal that the UN temporarily would take charge of Cambodian affairs and disarm Cambodian troops. The spokesman for the Vietnamese Ministry of Foreign Affairs issued a statement on 31 August saying, "In terms of seeking a comprehensive, fair, and reasonable

solution to the Cambodian problem, the five (UNSC) countries have been working in the right direction." The statement added, however, that Cambodian sovereignty issues should be decided by the various Cambodian parties. The Phnom Penh government indicated on the same day that it welcomed the new UN peace plan, which "could serve as the basis for the discussion among the various Cambodian parties." It also stated, however, that the Phnom Penh government's basic position was to "maintain the political and military status quo." Apparently, Vietnam and the Phnom Penh government still had considerable reservations although they welcomed the UN plan. If the Bush government wants politically to solve the Cambodian problem, perhaps now is the best time actively to exert its influence through dialogue on the Vietnamese and Phnom Penh governments.

Undoubtedly, because of the complexity of the Cambodian problem, a comprehensive solution will be a slow, difficult process and full of struggles. The United States and the Soviet Union have moved from confrontation to cooperation in Indochina. The Phnom Penh government and the Cambodian resistance forces now are basically equal in strength; neither one can outdo the other. In addition, concerned principal parties do not want the war to continue; rather, they are stepping up their mediation efforts. In view of all this, people are increasingly hopeful that peace will come to war-torn Cambodia in the not-too-distant future.

In conclusion, it should also be pointed out that in addition to pressuring Vietnam to resolve the Cambodian issue according to American wishes, there was a more far-reaching design behind the Bush administration's decision to begin direct dialogue with Vietnam after isolating it for 15 years; namely, it was aimed at seizing the initiative in developing relations with Vietnam at a time when the Soviet Union was retreating from Indochina, so that the United States can return to the region. In Vietnam, the United States suffered the only defeat in its history, and this is a heavy burden on its conscience. Returning to Indochina will enable the United States to close this painful page once and for all. It goes without saying that accompanying its return to Indochina, the United States will also push out the Soviet influence and increase its own in Southeast Asia. Vietnam has unofficially expressed its intention to lease Cam Ranh Bay to the United States. This, once it becomes reality, will be a big boost to the United States in consolidating and expanding its military position in Southeast Asia.

The United States has begun a dialogue with Vietnam. It is difficult to determine whether the dialogue has had or will have an effect on resolving the Cambodian issue. There is no doubt that it has opened the door for the normalization of its relations with Vietnam and for its return to Indochina.

Cambodian Official on U.S.-Vietnamese Ties

OW1511084990 Beijing XINHUA in English
0814 GMT 15 Nov 90

[Text] Washington, November 14 (XINHUA)—A Cambodian National Government leader today urged the U.S. Government not to normalize its relations with Vietnam until it totally accepts the U.N. solution and withdraws its troops from Cambodia.

During his current trip to Washington, Son Sann, prime minister of the national government of Cambodia, also urged the United States to continue its humanitarian aid to Cambodian non-communist resistance parties, composed of his Khmer People's National Liberation Front and Prince Sihanouk's National Army, against Vietnamese aggression.

At a news conference at the National Press Club, Son Sann said "there are still over 60,000 Vietnamese troops, advisers and experts in Cambodia."

Vietnamese and their puppet in Phnom-Penh still refuse to totally accept the document for settlement to the Cambodian conflict, elaborated by the five permanent members of the U.N. Security Council, "by insisting on the existence of two governments and two parties, thereby maintaining the division of Cambodia," he said.

In accordance with the U.N. document, a Supreme National Council was formed on September 10, 1990, as a transitional administration before holding free and fair elections in Cambodia.

"But because of the Phnom-Penh regime's new conditions and demands, its president could not be elected. Therefore the peace process is delayed," Son Sann said.

During his meeting at the State Department, the Defense Department and the National Security Council, Son Sann said, U.S. officials promised that the U.S. Administration would not normalize its relations with Vietnam until the Cambodian conflict is completely resolved.

Asked about U.S. fear that the Khmer Rouge would return to power, Son Sann said some people in the United States has always concentrated their attentions to the Khmer Rouge, instead of the Vietnamese aggression of Cambodia and its troops still left in Cambodia.

U.S. business community and some legislators now are increasing their pressure on the administration to lift the U.S. trade embargo on Vietnam and to normalize the relations between the two countries.

And the Congress passed a bill last month, which will end U.S. aid to the non-community resistance parties in 1991 fiscal year.

Son Sann said during his meetings with congressmen, he urged the Congress to continue U.S. humanitarian aid to the resistance groups.

U.S. Not Opposed to World Bank's Loans to China

*OW1411042190 Beijing XINHUA in English
0123 GMT 14 Nov 90*

[Text] Washington, Nov 13 (XINHUA)—The State Department deputy spokesman, Richard Boucher, indicated today that the Bush administration is not opposed to special loans by the World Bank to China.

He made the statement at a briefing when he was answering a question as to what is the U.S. position regarding reports that the World Bank is preparing to remove all restrictions on lending to China.

"I don't have a position for you on specific loans," he said. "Our position has been the one that was adopted at the Houston Summit."

At the summit it was agreed to consider loans that encouraged economic reform or dealt with specific issues such as environmental matters.

The World Bank stopped loans to China shortly after last year's unrest in Beijing, but has steadily resumed lending programs since the beginning of this year.

On November 1, the bank announced it would offer a loan totaled 275 million dollars to China. The fund includes a 200 million interest-free soft loan. This is the bank's second major loan to China since the Houston Summit of seven industrialized nations in July.

Admitting that he knows it is apparently of a commercial nature which does not fall into the categories he mentioned, Boucher said that "I don't have a specific position on that loan".

He noted that there are other loans that do not fall into those categories.

Official Explains Position on UN Conventions

*OW1511030590 Beijing XINHUA in English
0115 GMT 15 Nov 90*

[Text] United Nations, November 14 (XINHUA)—A Chinese official today expounded China's position on the convention on the right of the child, the convention on the prohibition of torture and other cruel treatment, and the enhancement of effectiveness of the principle of elections.

Speaking at the third committee of the current U.N. General Assembly, Duan Jielong of the Chinese delegation said China, which attaches great importance to the convention on the rights of the child, has made explicit and specific provisions on the protection of the rights of the child in its constitution and laws.

China, he said, "Continues to make efforts to strengthen and perfect various mechanisms for the protection of

children," and "to create favorable environment and conditions for the advancement of children in welfare, education, health care and other areas."

On the convention on the prohibition of torture and other cruel inhumane or degrading treatment or punishment, the Chinese delegate said China has always firmly opposed any forms of torture.

"Since the signing of the convention, China has conscientiously carried out all the obligations it has assumed by instituting many effective and practical approaches and measures to prohibit and prevent the use of any forms of torture and other inhumane treatment."

As a country with one-fifth of the world's population, he pointed out, China's accomplishment in this field should be viewed as quite significant.

Therefore, China will as always carry out its international obligations by implementing the provisions in the convention on the prohibition of torture.

On the question of genuine, periodic and free election, the Chinese delegate said the electoral system is an important element of the political system of a sovereign state, closely linked with the concrete conditions of the country.

"We have always held that what political system and electoral procedure a country chooses is entirely an internal affair of this country. It is also an important part of the sovereign rights of state."

Therefore, he declared, the sovereign rights of the country concerned and the electoral system its people have chosen should be respected.

Iraq Expects China Veto of UN Force Resolution

*OW1211112190 Beijing XINHUA in English
1107 GMT 12 Nov 90*

[Text] Amman, November 12 (XINHUA)—Any flexibility from Iraq in its position in the Gulf crisis could be expected only if the United States and its allies move to address the basic Arab grievances in the conflicts of the Middle East, according to former New Zealand Prime Minister David Lange.

In an exclusive interview with "JORDAN TIMES" published today, Lange said, "I came off with the feeling that (Iraq) will show flexibility only if the United States also moves to address other conflicts in the region."

He was particularly referring to the August 12 Iraqi initiative which linked any solution to the Gulf crisis with settlements of the Arab-Israeli conflict and the Lebanese problem.

Lange, who returned here after a visit to Baghdad where he met with Iraqi Deputy Prime Minister Taha Yasin Ramadan, parliament speaker Sa'di Mahdi Salih and held talks with the Iraqi Peace, Friendship and Solidarity

Organization, said that the Iraqi position remained essentially the same since then.

"The key to Iraqi flexibility is through concrete moves toward addressing the other conflicts of the Middle East," he said.

Lange called on both sides to move from their "rigid" position toward more flexibility.

According to Lange, whose visit to Iraq was mainly aimed at securing the release of 16 New Zealanders being held there, the Iraqi leadership believes that "one of the two countries—France or China—or both will veto" any U.N. Security Council resolution endorsing the use of force to dislodge Iraq from Kuwait.

At the same time, "the Iraqis are also ready for war," Lange said. "They believe that the United States is ready to go to war," added Lange, who denounced American nuclear policy and froze the Australia-New Zealand-U.S. defense treaty in 1988 when he was prime minister.

As for the main aim of his visit to Iraq, securing the release of 16 New Zealanders held there, Lange said he had seen his countrymen during his visit to the Iraqi capital and that he had been told "that there would be good news (of their release) before I get back to New Zealand."

Lange left Amman for home late Sunday.

Aid Proposed for Foreign-Funded Enterprises

HK0911104090 Beijing CHINA DAILY in English
8 Nov 90 p 2

[By staff reporter Wang Xiangwei]

[Text] The country's leading arm for foreign investment yesterday convened its largest meeting since its inception to map out guidelines on improving aid for foreign-funded enterprises over the next five years.

More than 700 representatives from China's thousands of foreign-funded enterprises have arrived in Beijing for a three-day representative assembly of the China Association of Enterprises with Foreign Investment.

In his opening speech, Ma Yi, the association's vice-president, urged the delegates to find better ways of helping the 20,000-plus foreign-funded enterprises scattered across the country.

Also yesterday on the opening ceremony, leading Chinese foreign trade officials praised the "significant" role of foreign-funded enterprises in the Chinese economy and promised to further improve the investment climate.

Promise

Shen Jueren, Vice-Minister of Foreign Economic Relations and Trade, promised that the foreign trade departments which are in charge of foreign investment administration will fully support the association's activities and find solutions to the problems faced by the association.

He spoke highly of the association and its branches which have put the focus of their efforts on helping foreign-funded enterprises expand Chinese markets, promote products, train personnel, and offer consultation services on China's policies and guidelines on absorption of foreign investment.

Wei Yuming, the association president, told the assembly about the association's activities since it was formed in November 1987.

He said that the past three years had seen the continuous inflow of overseas capital with a gradual change towards diversification in the structure of investment highlighting the increasing investment from the United States, Japan, and Taiwan.

"Enterprises with foreign investment have become an economic force not to be ignored, and an important and useful complementary part of our socialist economy," said Wei, former Vice-Minister of Foreign Economic Relations and Trade.

The latest Mofert statistics indicate that foreign investors had launched 26,568 ventures in China by the end of September.

The foreign investors agreed in contracts to inject \$37.86 billion, of which \$17.7 billion is in operation.

Wei said that so far, over 10,000 enterprises with foreign participation have already started operation and most are running satisfactorily.

As a result, Wei said, those enterprises have become a new and growing source of government revenue.

In 1989, government revenue from foreign-related taxes amounted to \$3.6 billion, most of which was from enterprises with foreign investment.

Wei said the association now has over 6,000 member enterprises, compared to 500 in 1987.

Foreign-Funded Enterprises Group Elects Officials

HK1011082590 Beijing CHINA DAILY in English
10 Nov 90 p 1

[By staff reporter Wang Xiangwei]

[Text] China's leading arm for servicing foreign-funded enterprises wound up its largest meeting yesterday in Beijing following the election of a new and expanded governing body.

Shen Jueren, Vice-Minister of Foreign Economic Relations and Trade, was unanimously elected by nearly 700 representatives from the country's thousands of foreign-funded enterprises to be chairman of the China Association of Enterprises with Foreign Investment.

He promised in the closing speech that he would try his best to carry out his mandate in order to offer better services to foreign-funded enterprises in China.

On Thursday, Premier Li Peng, who met the delegates, noted that even though the Chinese economy is in difficulty, foreign investment continues to flow into the country.

The latest Mofert [Ministry of Foreign Economic Relations and Trade] statistics indicate that foreign investors had launched 26,568 ventures in China by the end of September.

Li promised that the central government and local authorities at all levels would further their efforts to improve the investment climate.

During the closing ceremony, more businessmen were elected on to the association's governing body.

A total of 14 government officials and businessmen were elected to be vice-chairmen. One of them, Burkhard Welkener, managing director of the Shanghai Volkswagen Automotive Company Limited, told CHINA DAILY that he felt happy to be elected vice-chairman as he had served as a vice-chairman with the association's local branch in Shanghai for some time.

International Trade Promotion Plans Announced

HK1211042490 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 12 Nov 90 p 1

[By staff reporter Yuan Zhou]

[Text] The largest non-governmental trade promotion organization in China is mapping out its next five-year plan aimed at "all sorts of economic co-operation with foreign countries."

Zheng Hongye, chairman of the China Council for the Promotion of International Trade (CCPIT), said that over the next five years (1991-95), CCPIT would work under the theme of expanding Chinese exports and introducing more foreign capital and technical know-how.

Zheng said that while Western economic sanctions against China were crumbling, his organization would continue to expand economic and trade ties with Western Europe and North America.

He said CCPIT would strengthen economic relations with China neighbours and other Asian countries to achieve common development in the region.

CCPIT's pioneering economic efforts, such as holding fairs and sending trade delegations abroad, helped China establish diplomatic ties with Saudi Arabia and Indonesia.

As the climax of a series of China tours from important Western economic organizations invited by CCPIT since last year, a delegation from the French Employers' Association arrived in Beijing last week to gather information on investment opportunities and for talks on joint venture projects in China.

Zheng said the Chinese Government held a "positive attitude" toward the French projects, including the plan for co-operation between Citroen and the Chinese Second Automotive Works.

In its efforts to break Western economic sanctions against China, CCPIT has, since last year, invited influential trade promoters, industrialist and financiers from Japan, the United States; Germany and South Korea to visit China.

Zheng said he would soon head a economic and trade mission to Indonesia for bilateral economic co-operation in the oil, chemical and machine-building industries. He will also attend a seminar on China-Indonesia trade potential in Jakarta.

He also planned to visit Thailand to discuss technical co-operation in machine-building.

Zheng said preparatory work for the inauguration of business representative offices in Beijing and Seoul was under way.

CCPIT was founded in the early 1950s to cope with the then Western blanket blockade against the newly founded People's Republic of China.

Exhibition on Telecommunications Opens in Beijing

OW0811212390 Beijing XINHUA in English 1548 GMT 8 Nov 90

[Text] Beijing, November 8 (XINHUA)—An exhibition and conference on telecommunications equipment and technology opened here today in a bid to acquaint China with the latest developments in the field.

Expo Comm China '90—China's international telecommunication/computer and electronics exhibition and conference—has attracted more than 250 exhibitors from 15 countries and regions, including IBM, Ericsson, Philips, Siemens and NEC.

Organized by E.J. Krause Associates Inc. of the United States, and hosted by the China Council for the Promotion of International Trade, the exhibition displays various electronic and telecommunication products, computers and digital instruments.

During the six-day exhibition, seminars on a dozen subjects concerning computer and telecommunications technology will be held, according to the organizers.

United States & Canada

Bush's Decision on Troop Deployment Examined

OW1411050490 Beijing XINHUA in English
1941 GMT 13 Nov 90

["Roundup: Bush's Decision To Send More Troops to Gulf Under Strong Criticism (by He Dalong)—XINHUA headline]

[Text] Washington, November 13 (XINHUA)—President George Bush's decision last week to send 200,000 more U.S. troops to the Gulf region was under strong criticism from lawmakers.

Some lawmakers criticized Bush for being in such a hurry to go to war before waiting for the international sanctions against Iraq to work.

"I think there is plenty of evidence that they are biting and we ought not to become too impatient about them," Rep. Lee Hamilton, chairman of the Senate Subcommittee on Middle East Affairs, said on CNN-TV "Newsmaker Sunday."

Sen. Sam Nunn, chairman of the Senate Armed Services Committee, said, on CBS-TV "Face the Nation" Sunday, "the first thing that the President has to say is why we are in such a hurry...Why not let the embargo work?"

He said he supported the current U.S. military missions in the Gulf: to deter aggression against Saudi Arabia, to defend Saudi Arabia if there was aggression and to enforce the embargo.

"But the President has given a different military mission—a much different military mission, that is essentially to prepare to liberate Kuwait," Sen. Nunn said.

"He should explain why liberating Kuwait is in our vital interests," the senator demanded. "An interest so important we are willing to spend thousands of American lives, if necessary."

The lawmakers were annoyed with Bush for making such an important decision without consulting with them beforehand. Rep. Hamilton and Sen. Nunn said they were "notified" of Bush's decision afterward by telephone from administration officials.

"The decision to go to war ought to be a shared responsibility," said Rep. Hamilton. "It ought not to be made by one person even if that person is the President of the United States."

Sen. Daniel Moynihan, member of the Senate Foreign Relations Committee, said Monday that Bush's decision to send more troops to the Gulf "is the pattern of a country going to war."

"He has decided, he has gone unilateral," he said. But "he has to have the Congress with him, that is the law."

Sen. Moynihan also warned that if Bush continues to go alone, "he will wreck our military, he will wreck his administration."

Senate Majority Leader George Mitchell pointed out, on ABC-TV "This Week With David Brinkley" Sunday, "the Congress, and only the Congress, can commit the United States to war. The President has no legal authority, none whatsoever to commit the United States to war."

Sen. Claiborne Pell, chairman of the Senate Foreign Relations Committee, said, on NBC-TV "Meet the Press" Sunday, "I think that to move in this direction, you should have real consultation with the Congress, in depth."

"We don't wish to be the sole policeman in that part of the world," he said. "I am not sure the American people want to take on that responsibility at this time."

The lawmakers also criticized why Bush did not wait for a U.N. Security Council resolution authorizing the use of force before making this decision.

Rep. Hamilton said that even if Bush has decided to take military action against Iraq, he should "have, first of all, the broadest possible, achievable international consensus."

Sen. Pell pointed out that the United States should wait for "specific authorization by the United Nations—another resolution. We have had 10 resolutions go through so far, but none of them demand the use of force."

Some lawmakers have demanded that the Congress, now in recess, resume its session after the Thanksgiving Day to debate the U.S. strategy on Iraq. The Congressional leaders have demanded a meeting with President Bush Wednesday for an explanation of his decision.

In a joint statement released Sunday, House Speaker Thomas Foley and House Majority Leader Richard Gephardt said, "we urge the President to explain fully to the American people the strategy and aims that underlie his decision to dispatch additional forces to the (Gulf) region."

Faced with the strong criticism, the White House pledged Monday that President Bush will work closely with the Congress on the Persian Gulf crisis.

"He will follow the Constitutional requirements, and we would want to consult with the Congress every step of the way," said Marlin Fitzwater, spokesman of the White House.

But at the same time, Fitzwater suggested the lawmakers were overreacting. "Not a shot's been fired. What are these guys talking about?" he asked.

More on Qian Qichen, Baker Meeting*HK0911124790 Beijing RENMIN RIBAO in Chinese
8 Nov 90 p 6*

["Dispatch" by reporter Lin Jiaoming (2651 4109 2494): "Foreign Minister Qian Meets U.S. Secretary of State Baker in Cairo"]

[Text] Cairo, 6 Nov (RENMIN RIBAO)—Chinese Foreign Minister Qian Qichen and U.S. Secretary of State Baker held a meeting for one hour and 30 minutes in Cairo International Airport's VIP room this afternoon. The meeting was constructive, frank, and friendly. The two foreign ministers expressed their satisfaction with the meeting and agreed to continue consultations in the future.

During their meeting the two foreign ministers held a wide-ranging exchange of views on the Gulf crisis. Both sides said that each side should do its best for a peaceful settlement of the Gulf crisis on the basis of the UN Security Council resolutions.

The two foreign ministers also discussed Sino-U.S. bilateral relations.

In answer to reporters' questions after the meeting, Foreign Minister Qian said: "We focused our discussion on the Gulf crisis, and both sides carefully exchanged views. Both sides expressed that each side should commit itself to a peaceful settlement of the Gulf crisis on the basis of the UN Security Council resolutions. Both sides stressed the need for a peaceful settlement. Secretary of State Baker said the use of other means should not be ruled out. We stressed as long as there is a thread of hope for a peaceful settlement, we should make efforts toward this end."

Foreign Minister Qian added: "I am not acting as a mediator, I am not proposing a program, nor am I prepared to discuss any program. My mission is to explore the possibility for a peaceful settlement of the Gulf crisis."

Each of the two foreign ministers is currently conducting his Middle East tour. Foreign Minister Qian Qichen arrived in Cairo by special plane this afternoon for a visit to Egypt, whereas Secretary of State Baker arrived in Cairo this morning to hold talks with President Mubarak on the Gulf crisis.

Sino-U.S. Biotechnology Venture Opens in Jiangsu*OW1311085990 Beijing XINHUA in English
0821 GMT 13 Nov 90*

[Text] Ningbo, November 13 (XINHUA)—Ningbo Abbott Biotechnological Ltd, a Sino-U.S. joint venture, went into operation today in Ningbo, a coastal city in east China's Jiangsu Province.

The company, the first venture of its kind in China, will mainly produce reagents for clinical diagnosis.

Located in the city's economic and technological development zone, the company was jointly set up by the Shanghai Medicine Industry Research Institute, the Ningbo Pharmaceutical Factory and Abbott International Ltd.

Attending today's opening ceremony were Chinese Deputy Minister of Public Health Sun Longchun, General Director of the Asia-Pacific Branch of Abbott International Ltd Jay Johnston and U.S. Consul General in Shanghai Pat Wardlaw.

Beijing Mayor Meets U.S. Visitors*OW1211114290 Beijing XINHUA in English
1052 GMT 12 Nov 90*

[Text] Beijing, November 12 (XINHUA)—Chinese State Councillor and Beijing Mayor Chen Xitong met with David Speer, commissioner of Minnesota Department of Trade and Economic Development, and his party here today. They had a cordial conversation.

Beijing-New York Cargo Service To Begin*OW1111062690 Beijing XINHUA Domestic Service
in Chinese 0147 GMT 10 Nov 90*

[By reporter Xue Limin (5641 0500 2404)]

[Text] Beijing, 9 Nov (XINHUA)—According to Hou Yaohuan, president of the branch office of China's International Airlines in the United States, the first flight to New York of a recently opened regular cargo service between China and the United States will be inaugurated on 11 November.

This cargo flight will provide a round trip service between Beijing and New York once a week. It will transport mainly clothes and other products from China to the United States and electronic products from the United States to China. Hou Yaohuan said: "It is very important to deliver export goods, particularly fashionable dresses, in time. The inauguration of this flight will be beneficial to the development of trade between China and the United States."

In 1987, the cargo of Sino-U.S. trade transported by the China Civil Aviation was only 1,200 tons. In 1989, it increased to 2,200 tons. It is expected to reach 2,800 tons this year. Therefore, the former flight whose schedule was irregular could no longer meet the needs of trade between China and the United States.

A Boeing 747-200 cargo plane, with a loading capacity of 94 tons, will be used in this flight.

Canadian Honored for Forestry Development Work*OW1511121790 Beijing XINHUA in English
0919 GMT 15 Nov 90*

[Text] Beijing, November 15 (XINHUA)—Beijing Forestry University bestowed an honorary doctorate this morning on

Ivan Head, a Canadian who has made outstanding contributions to China's forestry development.

Head is chairman of the International Development Research Center (IDRC), a Canada-based foundation set up to help developing countries in scientific research and international technological exchanges.

Since 1982 the IDRC has funded 11 forestry projects in China. The organization has also helped the Chinese Academy of Forestry Sciences and the Beijing Forestry University in several training and international exchange programs.

Song Jian, state councilor and minister of the State Commission of Science and Technology, attended today's ceremony at the Beijing Forestry University.

Soviet Union

Soviet Medical Officer Delegation Visits

OW1011123490 Beijing XINHUA in English
1200 GMT 10 Nov 90

[Text] Beijing, November 10 (XINHUA)—General Cho Nam Qi, member of the Central Military Commission and director of the General Logistics Department of the Chinese People's Liberation Army, met here this evening with a Soviet medical officers delegation.

The Soviet delegation is led by Major General E. E. Nechayev, head of the Military Medical Department of the main board of Army in the rear of the Soviet Defense Ministry.

Railway Department Agrees to Additional Route

OW0711234690 Beijing XINHUA in English
1517 GMT 7 Nov 90

[Text] Urumqi, November 7 (XINHUA)—The railway departments of China and the Soviet Union have agreed to run international through transport in 1992 through the Eurasian continental land bridge, the second railway traversing Asia and Europe.

According to talks between the two countries' railway delegations held on November 5, the passenger transport will start in June 1992 and the freight transport in September 1992.

USSR Tourists Recuperate in Heilongjiang

SK1311123990 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 9 Nov 90

[Text] Heihe has opened a recuperation-tour service for tourists from the Soviet Union. Although reluctant to leave, the first group of tourists from the trade union departments of the Agricultural and Industrial Committee of the Amur Oblast of the Soviet Union recently left for home after a 24-day vacation at the Huoshan Park Sanatorium in Wudalianchi City.

Jilin Port Exports Potatoes to Soviet Union

SK1411110590 Changchun Jilin Provincial Service in Mandarin 1030 GMT 13 Nov 90

[Text] After its formal opening to the outside world, Hunchun Port exported its first batch of 16,300 tons of goods. In early September this year, the Hunchun City Foreign Trade Company signed a contract with the Maritime Region in the Soviet Union to barter potatoes for chemical fertilizers. According to the contract, Hunchun City organized sources of goods from various fields, and began to deliver goods to the Soviet Union in late September. As of 5 November, the first batch of goods had all been delivered to the Soviet Union. This batch of exported goods included 15,000 tons of potatoes and some carrots and apples.

Pulp Plant To Be Built With Soviet Investment

SK0911072390 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 8 Nov 90

[Text] On 8 November, ground was broken in the paper mill of Jiamusi City of Heilongjiang Province for the construction of a kraft paper pulp plant with the annual output of 85,000 tons, the largest technical renovation project taken by the paper-making industry in the country. The project is also covered by the state's Eighth Five-Year Plan and is under a joint Sino-Soviet sponsorship. The annual output value of the pulp plant is expected to reach 250 million yuan and its profits and taxes 140 million yuan. The construction of the plant will take four years.

Northeast Asia

'Roundup' Examines Failure of Japan Corps Bill

OW1111075790 Beijing XINHUA in English
0732 GMT 11 Nov 90

["Roundup by Ma Xinghua: U.N. Peace Cooperation Bill Killed"—XINHUA headline]

[Text] Tokyo, November 10 (XINHUA)—The government-proposed U.N. Peace Cooperation Bill was eventually killed following heated debate between Japan's ruling Liberal Democratic Party (LDP) and opposition parties at the 119th extraordinary Diet (parliament) session which closed here today.

The bill, aimed at seeking overseas dispatch of Japan's Self-Defense Force (SDF) personnel to assist the United Nations peace-keeping operations in the Persian Gulf, was submitted to the Diet on October 16 by the LDP which claimed Japan could contribute to the world peace by doing so.

Prime Minister Toshiki Kaifu told a cabinet meeting on the same day that Japan could not shut its eyes to the Middle East crisis, given its international status, showing Japan's positive attitude towards playing a role in world political arena.

The government's 1990 bluebook on diplomacy also stressed that Japan should fulfil its responsibility and play its due role through personnel contribution to a new international order.

However, the Japanese Government's attempt to send SDF members abroad triggered strong criticism from opposition parties and general public.

All of the Japanese opposition parties, except the Democratic Socialist Party (DSP), opposed the government's move, blaming the bill for violating Japan's war-renouncing Constitution.

Article 9 of the Constitution says, "The Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes."

Some Japanese news media also criticized some LDP leaders who tried to take advantage of the opportunity to enable the SDF troops to engage in military operations abroad.

While heated deliberations were held at the Diet session, the Japan Socialist Party (JSP), the largest opposition party and Japan Communist Party (JCP) organized hundreds and thousands of protesters to stage demonstrations in Tokyo and other cities, vowing to scrap the bill.

As the bill calls for overseas dispatch of SDF personnel for the first time since the end of World War II, it caused an abrupt surge of public opinion against the government's move because many people were reminded of the miserable experience the country had in the past war.

Polls conducted by Japanese media showed that a majority of the Japanese people were opposed to the overseas dispatch of SDF members. The surveys also showed the support rate of Prime Minister Toshiki Kaifu's cabinet nosedived a sharp 10.3 points to 49.8 percent since the government submitted the controversial bill.

Moreover, the prospect of Japan's sending of its military abroad sparked strong concerns and fears from some Asian countries that suffered from Japanese aggression during World War II.

Amid strong resistance from the opposition camp and growing disarray within the LDP, the government leaders finally lost their hope to enact the bill at the Diet session and decided to draw up an alternative bill.

Japanese newspapers said the government backpedaled because the bill could be hardly passed by both houses of the Diet, in which, the LDP controls the lower house while the opposition have a majority in the upper house.

Following the peace cooperation bill formally scrapped on Friday, the LDP and two opposition parties agreed to create a team apart from the SDF to cooperate in United Nations peacekeeping operations.

The government will draft a new bill and submit it to the regular Diet session to be convened around December 10.

The agreement was reached by LDP and Komeito, Japan's second largest opposition party and the Democratic Socialist Party (DSP), the fourth largest. The largest opposition party the JSP did not join the four-party consultations on the ground that the agreement did not clearly rule out the possibility of Japan becoming involved in military aspects of U.N. peacekeeping operations.

Observers here indicated that the new bill to form a non-SDF team is likely to be passed at the regular Diet session, but whether the new corps will really not join militarily in U.N. peacekeeping operations should be focused.

Failure Analyzed

OW1111034790 Beijing XINHUA Domestic Service
in Chinese 1225 GMT 10 Nov 90

["News Analysis by XINHUA reporter Zhang Huanli (1728 3562 0448): How the Bill on Sending Troops Overseas, Proposed by the Kaifu Cabinet, Was Aborted?"]

[Text] Tokyo, 10 Nov (XINHUA)—The United Nations Peace Cooperation Bill, submitted by the Kaifu cabinet to the Japanese Diet, was aborted on 8 November upon examination by the House of Representatives. This clearly shows that any motion attempting to send Japanese Self-Defense Forces [SDF] personnel overseas in violation of Japan's post-war Constitution is unpopular.

Japan's post-war Constitution provides that Japan forever renounces the launching of war as a sovereign right, armed threats, or the use of force as a means for solving international disputes, the maintenance of armed forces and other war potential, and does not recognize the rights of states to make war. The Japanese Diet adopted a resolution in 1951 forbidding the government to send the SDF abroad in order to ensure the implementation of this Constitution for peace. Subsequent Japanese cabinets have made many assurances to abide by the Constitution and not to send troops overseas.

For many years, the spirit of the Japanese peace Constitution was accepted by the Japanese people, who suffered immensely from the horrible disasters of launching aggressive wars. Therefore, when the Kaifu cabinet's United Nations Peace Cooperation Bill was proposed, it was immediately met with strong criticism from other nonruling political parties and various circles of the public. When the bill was examined by the House of Representatives, mass organizations in Tokyo took to the streets almost every day to demonstrate and hand out handbills opposing the government's plan to send the SDF overseas under the signboard of the "United Nations Peace Cooperation" plan. According to an investigation by Japan's ASAHI SHIMBUN on the day when the bill was examined, only 21 percent of the people supported the government's bill, but 78 percent were opposed to sending the SDF overseas. Even within the Liberal Democratic Party [LDP], quite a number of

people did not agree with this bill. At the same time, some Asian countries and regions who suffered from Japan's aggression during World War II generally expressed concern about and vigilance against the Japanese Government's peace cooperation bill. They pointed out that the aim of the bill proposed by the Japanese Government was to legalize sending the SDF overseas by breaking the restrictions of the Constitution.

The bill proposed by the Kaifu cabinet was itself full of contradictions. Since the aim is "peace and cooperation," the SDF should not be sent overseas; up to now the United Nations has not asked Japan to send the SDF to the Gulf, and the troops of the United States and other countries in Saudi Arabia were not sent by the United Nations. Therefore, there is no reason for the bill to use the word "United Nations." Moreover, leaders of the LDP and Prime Minister Kaifu made contradictory remarks when they explained the bill. All these things invoked more harsh criticism against the LDP and the Kaifu cabinet from nonruling parties and public opinion.

On 8 November, the responsible persons of Japan's ruling and nonruling parties, after holding talks, affirmed that the United Nations Peace Cooperation Bill was an aborted bill. They immediately carried out the relevant procedures in the Diet. At the same time, they are studying the draft of a new substitute bill for setting up of a new organization without the participation of SDF members.

Some people within the LDP criticized Kaifu for lacking leadership ability after the cabinet's bill was aborted. The Socialist Party, Communist Party, and other non-ruling parties have called on Kaifu to resign to take responsibility for the serious mistake. But, analysts here believe that because the aborted bill demonstrated the intention of powerful figures within the LDP, the bill will not cause the Kaifu regime to come to a premature end.

Public Opposition Noted

OW1011062990 Beijing Domestic Service
in Mandarin 1700 GMT 9 Nov 90

[From the "International News and Current Events" program]

[Text] The secretaries general of Japan's ruling Liberal Democratic Party [LDP] and three opposition parties—the Japan Socialist Party, Komeito, and the Democratic Socialist Party—agreed, after talks in the Diet on the afternoon of 8 November, that the House had completed deliberation on and decided to scrap the Kaifu cabinet-proposed UN peace cooperation bill for the current Diet session.

In the wake of the Gulf crisis, the Japanese Government proposed the UN peace cooperation bill to the current Diet session in order to send Japan's Self-Defense Forces to Saudi Arabia. Because the bill clearly violates Japan's post-war Constitution, it has generally been opposed by the LDP and other political parties, as well as various

organizations and people from all walks of life. At the same time, the proposed bill also heightened vigilance in those countries and regions in Asia, which previously were invaded by Japan.

During the current Diet session, the ruling and opposition parties had heated debates on the proposed bill. Outside the Diet, people from various circles held meetings and staged demonstrations against Japan's dispatch of troops overseas.

After the decision to discard the bill was made, people's organizations continued to stage demonstrations on the streets in Tokyo on the evening of 8 November. Some opposition parties demanded the resignation of the Kaifu cabinet. Within the LDP, young members of the Takeshita faction began to criticize the government and LDP leadership, demanding the investigation of the responsibilities of Prime Minister Kaifu and Secretary General Ozawa.

Special Corps Formed

OW0911201890 Beijing XINHUA in English
1533 GMT 9 Nov 90

[Text] Tokyo, November 9 (XINHUA)—Japan's ruling Liberal Democratic Party (LDP) and two opposition parties yesterday reached an agreement for the setting up of a special corps apart from the Self-Defense Forces (SDF) to co-operate in United Nations peacekeeping operations.

The deal came at a pre-dawn meeting between leaders of the LDP, the Komeito party, which is the second largest opposition grouping, and the Democratic Socialist Party (DSP), the fourth largest, the KYODO NEWS SERVICE reported.

Based on the principles adopted by the three parties, the government will draft a bill to form the new corps and submit it to the next Diet (parliament) session to be convened around December 10.

The current 30-day extraordinary Diet session, during which a government-proposed U.N. peace cooperation bill that seeks overseas dispatch of SDF personnel now stands to be killed, ends tomorrow.

The proposed corps would be intended to engage in U.N. peacekeeping operations and humanitarian relief activities as well as disaster relief operations abroad.

The Japan Socialist Party (JSP), the largest opposition group, that refused to join a proposed four-party consultative meeting, said that the tripartite agreement did not clearly rule out the possibility of Japan becoming involved in military aspects of U.N. peacekeeping operations.

Zhang Xiangshan Comments on Islands Issue*OW1011032790 Beijing in Japanese to Japan
0930 GMT 5 Nov 90*

[Remarks by Zhang Xiangshan, chief Chinese representative of the 21st Century Committee for China-Japan Friendship and vice president of the China Association for International Understanding—place, date not given; recorded]

[Text] Recently I have been asked by my friends from Japan about the present situation in Sino-Japanese relations. I replied: Although relations between the two countries have been in an abnormal state since the Tiananmen discord [fuha] last year, it is nearing the end, thanks to the efforts made jointly by the governments and knowledgeable people in and out of government in both countries. Normal relations are about to be restored across the board. This is very advantageous to both countries as well as to the peace and stability of Asia; and it is gratifying.

Apprehensions have unexpectedly been aroused concerning the Diaoyutai Islands issue, which the Japanese side has recently engendered. The Japanese Government stated that it would authorize some rightist groups to erect a lighthouse on Diaoyutai and, by dispatching warships into waters surrounding Diaoyutai, chased away Taiwan fishermen. This is an infringement upon the sovereignty of China, and it has brought about a diplomatic (?dispute).

Diaoyutai is referred to in Japan as the Senkaku Islands. Located 100 nautical miles northeast of Taiwan, it is comprised of several tiny islands and reefs. It is China's inherent territory, but Japan thinks it is a Japanese territory. Hence, the issue is disputed between the two countries.

At the third round of talks held between the premiers during the 1972 bilateral talks for the normalization of diplomatic relations the Diaoyutai issue was raised, but the premiers of both countries agreed to put off this issue until the future.

During his visit to Japan in 1978, then Vice Premier Deng Xiaoping, proceeding from Sino-Japan friendship, stated: We will shelve the Diaoyutai Islands issue and leave it to be resolved by posterity. I think that they will be wiser than us and find a better solution. Concerning the issue of seabed oil resources, it would be good if we were to develop them jointly.

This has been the consistent policy of China for dealing with the Diaoyutai issue. I think that it is a wise and appropriate policy.

When the Chinese Foreign Ministry held diplomatic talks some time ago, this policy was reiterated. If one side were to fail to adopt this policy and act unilaterally, this would not help resolve the issue but only aggravate the contradiction and worsen friction. Obviously, this would damage Sino-Japanese relations. I think that such actions would be very detrimental to the long-range, stable development of friendship between China and Japan.

I earnestly desire that knowledgeable people in and out of government in Japan understand and support the common understanding of the shelving of the Diaoyutai issue, on which the governments of the two countries had previously agreed, so as to help resolve the current problem with Diaoyutai correctly.

Out of my desire to develop Sino-Japanese friendship on a long-term and stable basis, I find it imperative to express, at this point, concern over the UN Peace Cooperation Bill, now under debate at the Japanese Diet. I think that, in substance, the bill is intended to dispatch the Self-Defense Forces overseas.

Should this bill be enacted, it would harm the peace constitution of Japan and lead to a military power as many knowledgeable people in Japan have pointed out. In this sense, it would go against the pledge not to become a military power, made repeatedly by the Japanese Government, and also against the desire of the Japanese people. In addition, the bill would also create misgivings among and incur violent reactions from Japan's neighboring countries.

I sincerely hope that the farsighted Japanese politicians will not elect to pursue this dangerous path for the sake of the peace and stability of Asia.

Further on Wu Xueqian's Visit to Japan**Views Chinese Stability***OW1511040890 Beijing in Japanese to Japan
0930 GMT 13 Nov 90*

[Text] On 12 November, Vice Premier Wu Xueqian met with Chairman Masayoshi Ito and other leaders of the Parliamentarians' League for Promoting Friendship Between Japan and China. Touching on the domestic situation in China, Vice Premier Wu stated the following: China has one principle, which is to stabilize the overall situation. Only with stability, will China be able to improve and develop its relations with various world nations. The restoration of our relations with Japan has taken the lead in restoring our relations with other Western nations. Based on this fact, our bilateral relations should be further upgraded.

In response, Chairman Ito stressed that there would be no peace and stability in the world without stability in China, and that Japan should provide strong support for promoting unity and stability as well as reform and open policies in China.

Furthermore, Vice Premier Wu Xueqian met with former Deputy Prime Minister Kiichi Miyazawa, and held talks on economic cooperation between Japan and China.

Meets With Kanemaru*OW1511105390 Beijing XINHUA Domestic Service
in Chinese 1141 GMT 14 Nov 90*

[By reporter Zhang Huanli (1728 3562 0448)]

[Text] Tokyo, 14 Nov (XINHUA)—Former Japanese Deputy Prime Minister Shin Kanemaru met with Chinese Government representative Vice Premier Wu Xueqian this morning at the Sunaho Hall in Tokyo. Both sides exchanged views on the development of bilateral relations and on some issues of common concern.

During the meeting, Kanemaru thanked Wu Xueqian for coming to Japan to attend the emperor's enthronement. When talking about his recent visit to China, Kanemaru said: As the saying goes, it is better to see once than hear a hundred times; I have personally witnessed China's development during my visit there. My talks with General Secretary Jiang Zemin, President Yang Shangkun, and Mme. Deng Yingchao have enlightened me and made me realize that Japan and China should further strengthen cooperative relationship.

On behalf of Jiang Zemin, Yang Shangkun, and Deng Yingchao, Wu Xueqian conveyed their regards to Kanemaru. He said: Chinese leaders hold that Mr. Kanemaru's visit to China was of great significance. Kanemaru also asked Wu Xueqian to convey his regards to the Chinese leaders.

Wu Xueqian said: Mr. Kanemaru's position on the sensitive issues in the Sino-Japanese relations is far-sighted. He said: The Sino-Japanese relations now enter a development period, which is inseparable from Mr. Kanemaru's efforts. Wu Xueqian expressed a welcome for Mr. and Mrs. Kanemaru to visit China next year, for which Kanemaru expressed his thanks.

During the meeting, both sides exchanged candid views on the situation on the Korean peninsula and on the issue of China's unification.

Chinese Ambassador to Japan Yang Zhenya and China's Assistant Foreign Minister Xu Dunxin were present at the meeting.

Japanese-DPRK Ties Supported

SK1411114390 Beijing International Service
in Korean 1100 GMT 13 Nov 90

[Excerpts] Wu Xueqian, vice premier of the Chinese State Council, met with Nakayama, the Japanese foreign minister, in Tokyo yesterday afternoon, and exchanged views on bilateral relations and international issues. [passage omitted]

Foreign Minister Nakayama also mentioned the issue of improving relations between Japan and the DPRK. On this, Wu Xueqian said that China welcomes the efforts of Japan and the DPRK to improve bilateral relations. He said that improvement of Japan-DPRK relations is not only beneficial to easing the strained situation on the Korean peninsula but also to the reunification of the Korean peninsula.

Jiang Zemin Meets With DPRK Party Delegation

OW1511104990 Beijing XINHUA Domestic Service
in Chinese 0736 GMT 15 Nov 90

[Text] Beijing, 15 Nov (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee, this morning met with a delegation of the Workers Party of Korea [WPK] headed by Hwang Chang-yop, member of the Secretariat of the WPK Central Committee, at Zhongnanhai. The host and the guests held cordial and friendly [qin qie you hao 6024 0434 0645 1170] talks.

According to an official of the International Liaison Department of the CPC Central Committee, Jiang Zemin happily recalled his visit to Korea last March. He said that mutual visits by leaders of the two parties and two countries have promoted mutual understanding and enhanced traditional friendship.

Jiang Zemin said: The Communist Party of China and the Chinese people always support the stand and the series of reasonable proposals put forward by the WPK and the Korean Government for an independent and peaceful reunification of the fatherland. Recently, premiers of North Korea and South Korea held two rounds of talks and they will hold the third round in December. This is something worth cheering because it is conducive to alleviating tension on the Korean peninsula and developing the cause of an independent and peaceful reunification of the Korean people.

Jiang Zemin said: The improvement of relations between Korea and Japan will be conducive to improving the situation on the Korean peninsula and is also favorable to peace in the Asia-Pacific region.

Jiang Zemin also introduced China's current situation.

Hwang Chang-yop praised China's great achievements in promoting socialist modernization under the leadership of the CPC. He pointed out that the WPK and the Korean people will continue to do their best in developing friendship between Korea and China. He conveyed regards from Korean leaders Kim Il-song and Kim Chong-il to Jiang Zemin and other Chinese leaders.

Jiang Zemin also asked Hwang Chang-yop to convey regards from the Chinese leaders to Kim Il-song and Kim Chong-il.

Zhu Liang, head of the International Liaison Department of the CPC Central Committee, was present at the meeting.

Hwang Chang-yop and his party arrived in Beijing on 13 November.

Yang Shangkun Meets With Mongolian President

OW1511112890 Beijing XINHUA in English
1043 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—Chinese President Yang Shangkun met here today with Mongolian President Punsalnaagiyn Ochirbat.

According to an official of the Chinese Foreign Ministry, Yang said at the cordial meeting that he was happy to see Ochirbat in Beijing again, and extended his congratulations on Ochirbat's assuming the post of Mongolian president.

The two sides recalled Ochirbat's visit to Beijing last May and agreed that the successful visit has promoted the development of the bilateral friendly relations.

Ochirbat asked Yang to convey his regards to Jiang Zemin and Li Peng. He once again invited Yang to visit his country. Yang said that he will surely go.

Ochirbat arrived here this afternoon on his way home from Japan. He is scheduled to leave in the evening.

Southeast Asia & Pacific

Cambodia's Sihanouk Calls for Council Meeting

HK1411124490 Hong Kong AFP in English 1241 GMT 14 Nov 90

[Text] Beijing, Nov 14 (AFP)—Prince Norodom Sihanouk called Wednesday for a meeting of the Supreme National Council (SNC) which groups the Cambodian Government with the tripartite Cambodian resistance.

In a press statement released shortly after his return here from Pyongyang, Prince Sihanouk said the 12 SNC members could use such a meeting to "reexamine and resolve together, if possible, the problems which divide certain Cambodian factions."

The four factions decided in September to form the SNC, which is part of a peace plan drawn up by the five permanent members of the U.N. Security Council—Britain, China, France, the Soviet Union and the United States.

It has not yet been able to function, because Phnom Penh insists the deputy chairmanship of the council should go to Cambodian Prime Minister Hun Sen if Prince Sihanouk becomes SNC chairman, which is opposed by the resistance.

The resistance and China, which supports the Khmer Rouge, the resistance coalition's most powerful faction, want Prince Sihanouk to head the SNC.

The former king, who is not a member of the council—which is made up of six Phnom Penh representatives, and two from each of the three opposition factions—said in his last communique that he "was not a candidate for the chairmanship of the SNC."

However, at the end of September, he said he was ready to assume that position and become the 13th member of the SNC if all parties involved asked him to do so.

The SNC's first meeting, in Bangkok in September, broke up after no agreement could be reached on the issue of the chairmanship of the council, which is to govern Cambodia ahead of United Nations-supervised elections.

Prince Sihanouk will meet Thailand's Prime Minister Chatichai Choonhavan at the resistance leader's Beijing home Thursday to review the Cambodian peace talks.

Reportage on Visit by Thai Prime Minister

Meets Li Peng

OW1411134390 Beijing XINHUA in English 1318 GMT 14 Nov 90

[Text] Beijing, November 14 (XINHUA)—Chinese Premier Li Peng and Thai Prime Minister Chatchai Chunchawan held talks and a working dinner here this evening.

The Thai prime minister arrived here this evening as Li's guest and on a working visit to China. Accompanying him on the visit is Thai Foreign Minister Subin Pinklayan.

Chinese Foreign Minister Qian Qichen greeted the Thai guests at the airport.

It is learned that the Thai prime minister will exchange views with the Chinese side on the Sino-Thai bilateral relations and political solution to the Cambodian question.

Cambodia Discussed

OW1411162490 Beijing XINHUA in English 1550 GMT 14 Nov 90

[Text] Beijing, November 14 (XINHUA)—Chinese Premier Li Peng and Thai Prime Minister Chatchai Chunchawan exchanged views on bilateral ties, the political settlement of the Cambodia question and the Gulf crisis here this evening.

According to sources of the Chinese Foreign Ministry, Li said the urgent issue of the Cambodia question is to elect Prince Norodom Sihanouk the chairman of the Supreme National Council of Cambodia and to make the council functional. Otherwise, he went on, no other issues can be dealt with.

Li noted that as for other issues, including whether the council's vice-chairmanship should be set up, they should be decided by the four parties of Cambodia within the Supreme National Council through interior consultations.

China will respect the agreements reached by the four parties, Li added.

Chatchai said he agreed with Li on this.

The two leaders expressed their willingness to continue close coordination and cooperation in striving for a final settlement of the Cambodia question.

They are satisfied with the smooth development of relations between China and Thailand, the sources said.

After the talks, Li hosted a dinner for the Thai prime minister and his party.

Chatchai Chunchawan arrived earlier today as Li's guest. He is on a two-day working visit to China.

Visit Extended

*BK1411142090 Bangkok Domestic Service in Thai
1200 GMT 14 Nov 90*

[Text] Prime Minister General Chatchai Chunhawan has extended his visit to the PRC for an additional two days at the invitation of the Chinese Government which planned for him official consultations with Chinese leaders to strengthen relations. Gen. Chatchai will stay longer in China in order to meet with several Chinese leaders.

Suwit Yotmani, spokesman attached to the prime minister's office, stated during a press conference at Government House's Press Center this morning that the prime minister has postponed his return to Thailand until 18 November instead of the original plan to return on 16 November from a visit to Japan and China.

He said that the prime minister's visit to China coincides with the visit to China of the Indonesian president. This would be a good opportunity for the prime minister to meet the Indonesian president. It is believed the Chinese and Indonesian leaders would discuss the Cambodian peace settlement at their meeting. The spokesman said Thailand fully supports efforts by Indonesia and other countries to achieve peace in Cambodia, and has no intention of monopolizing peace bids in Cambodia.

The spokesman of the prime minister's office said that the postponement of the prime minister's return was not meant to delay solving domestic problems. He said that the prime minister must have already made a decision or a plan about solving domestic problems. He has extended the visit in order to meet the Chinese and Indonesian leaders as he realized that it would benefit Thailand in terms of relations, economic cooperation, and cooperation in the search for peace in Cambodia.

Meets With Yang Shangkun

*OW1511090190 Beijing XINHUA in English
0835 GMT 15 Nov 90*

[Text] Beijing, November 15 (XINHUA)—Chinese President Yang Shangkun met with visiting Thai Prime Minister Chatchai Chunhawan and his party here this morning in the Great Hall of the People.

According to sources at the Foreign Ministry, Yang said during the meeting that the frequent exchange of visits between top leaders of the two countries has given full expression to bilateral good neighborly relations and traditional friendship.

Yang continued, these visits have played a very important role in increasing mutual understanding and common ground and in promoting cooperation.

"We hope this tradition will be maintained," he added.

Speaking of the Cambodian question, both sides expressed the hope that Prince Sihanouk will be elected chairman of the Supreme National Council of Cambodia as soon as possible. They said both China and Thailand

would join hands for this goal and help realize peace in Indo-China at an early date.

Yang asked the Thai prime minister to convey his best wishes to Thai King Phumiphon Adunyadet.

Chatchai Chunhawan wound his two-day working visit to China and left here in the afternoon.

Meets With Cambodia's Sihanouk

*OW1511031390 Beijing XINHUA in English
0207 GMT 15 Nov 90*

[Text] Beijing, November 15 (XINHUA)—Cambodian President Norodom Sihanouk met with visiting Thai Prime Minister Chatchai Chunhawan here this morning at the Diaoyutai State Guesthouse.

Thailand, PRC To Discuss Bilateral Trade Issues

*OW1511083490 Beijing XINHUA in English
0640 GMT 15 Nov 90*

[Text] Bangkok, November 15 (XINHUA)—Thailand will propose to China during their consultations later this month in Beijing to raise the bilateral trade target and to cooperate on new trade and investment projects, a Thai Foreign Ministry source said here today.

Thai Deputy Foreign Minister Amnuay Yodsuk [name as received] will lead a Thai delegation to attend the meeting of Thai-Chinese joint committee on economic cooperation scheduled in Beijing on November 26-27, during which he will consult with his Chinese counterpart from the Ministry of Foreign Economic Relations and Trade on boosting the bilateral trade, the source said.

The two sides will explore ways to increase the sales of Thai rice to China and look into new products which Thailand may import to satisfy its surging demand such as steel rods and other raw material for the Thai construction industry. Previously, agreements were reached for the import of petroleum products and cement from China, the source added.

The bilateral trade target is expected to be increased from the current 800 million U.S. dollars to one billion or 1.2 billion U.S. dollars next year, the source said.

On investments and economic cooperation, Thailand wants to discuss new initiatives, including joint investments in third countries, he added.

The meeting will also discuss the possibility of developing a dam for power generation in the upper part of the Mekong River in the north of Thailand, he said.

Reportage on Visit by Indonesian President**Zheng Tuobin on Visit***OW1511055390 Beijing in Japanese to Japan
1430 GMT 13 Nov 90*

[Text] Indonesian President Suharto is scheduled to pay a friendly visit to Beijing on 14 November. Zheng Tuobin, minister of foreign economic relations who will escort President Suharto during his visit to China, issued remarks on the upcoming visit to a Radio Beijing reporter on 12 November. Minister Zheng stated as follows:

President Suharto's upcoming official and friendly visit to China will be the first such visit since the restoration of diplomatic relations between China and Indonesia. His visit certainly will contribute to promoting further our bilateral relations. The development of bilateral relations based on the five principles of peaceful co-existence and on the 10 principles of the Bandung Conference is advantageous to peace and stability in Asia and in the world, as well.

Today when the global economy is undergoing a drastic change and the Gulf crisis has taken place, it is of great significance that China and Indonesia, two big nations in the Asian-Pacific region, should strengthen their mutual cooperation.

Next, touching on the current situation in and future prospects for economic and trade relations between the two nations, Foreign Economic Relations Minister Zheng stated: Substantial progress has been made in bilateral trade since China and Indonesia started direct trade five years ago in 1985. When Premier Li Peng visited Indonesia last August, the two governments signed a new treaty on trade, which indicates that the economic and trade relations between the two nations have now entered a new stage. The total amount of trade between our two nations for this year is expected to reach a record high of over \$1 billion.

Holds Talks With Yang Shangkun*OW1411135190 Beijing XINHUA in English
1308 GMT 14 Nov 90*

[Text] Beijing, November 14 (XINHUA)—China hopes to develop friendly, cooperative relations with Indonesia on a "long-term, steady and comprehensive" basis, Chinese President Yang Shangkun told visiting Indonesian President Suharto here today.

The two leaders who met in the Great Hall of the People this afternoon, emphasized the role of the five principles of peaceful co-existence and the 10 principles of the Bandung Conference in developing relations between nations, according to a Chinese Foreign Ministry spokesman.

Yang said he expects Suharto's visit to "open a new phase for bilateral relations." "In this sense," he said, "President Suharto's visit is of great significance."

The normalization and further expansion of Sino-Indonesian relations not only conforms with the interests of the two peoples, but are also conducive to the well-being of the Asia-Pacific region, Yang said.

Quoting an earlier remark by Suharto, Yang agreed bilateral relations should march into "a new phase with a new spirit, new steps and new objectives."

"I hope our two countries will develop a friendly, cooperative relationship in a long-term, steady and comprehensive manner and on the basis of the five principles of peaceful co-existence and the 10 principles of the Bandung Conference," Yang said.

Suharto also referred to the principles, those of equality, mutual respect and benefit, and non-interference in each other's internal affairs in particular. He said these principles are a common basis for the smooth development of relations between the two countries.

Also, he said, these principles are applicable to relations among all nations in the world.

He expressed the hope that relations between Indonesia and China will enjoy continued smooth development, despite their different social systems.

In the meeting, Suharto invited Yang to visit Indonesia. Yang accepted the invitation.

In the evening, Yang gave a banquet in honor of Suharto and his party.

Beijing TV Report*OW1411142090 Beijing Television Service
in Mandarin 1100 GMT 14 Nov 90*

[From the "National News Hookup" program]

[Text] [Video opens with a long shot of a large meeting room where Chinese and Indonesian officials are seated on sofas arranged in a horse shoe shape]

President Yang Shangkun met with Indonesian President Suharto at the Great Hall of the People this afternoon.

He said: The resumption of diplomatic relations between China and Indonesia benefits the peoples of the two countries, as well as the Asian-Pacific Region. I agree with Your Excellency the President's remark that China and Indonesia will march, with new steps, into a new phase of the development of relations between the two countries. China appreciates this remark, and hopes that bilateral relations will develop on the basis of the five principles of peaceful coexistence and in a long-term, stable, and comprehensive manner. In this sense, President Suharto's visit to China is of great significance.

Yang Shangkun expressed the hope that through Suharto's visit and exchange of views between the two sides, Sino-Indonesian relations will enter a new phase.

Suharto said: Indonesian-Chinese relations have developed smoothly because they are based on a common foundation, which was jointly established by the PRC and the Republic of Indonesia. This solid foundation refers to the 10 principles laid down by the 1955 Bandung Conference and the five principles of peaceful coexistence—the principles on mutual respect, noninterference in each other's internal affairs, and equality and mutual benefit in particular. These principles are applicable to the exchange between all nations in the world, especially the Asian nations. He expressed the hope that bilateral relations will expand smoothly. He said: In spite of different social systems, the two countries can step up cooperation in the economic and cultural fields. Both Indonesia and China have strong points and weaknesses. Through cooperation, they can learn from each other's strong points to offset one's weaknesses. This should not be a repression of each other in the course of competition.

Suharto invited Yang Shangkun to visit Indonesia. The latter accepted the invitation with pleasure.

During the meeting, Yang Shangkun said: In a meeting with the new Indonesian ambassador to China yesterday, I told him that the governments and peoples of our two countries have together written down chapters in history; that is, the 10 principles of the Bandung Conference and the five principles of peaceful coexistence, which China has all along advocated. Practice over the years has proved that the 10 principles of the Bandung Conference are applicable to all nations and relations between states. The Chinese Government has faithfully abided by these principles in developing relations with all countries, including Indonesia.

Yang Shangkun hoped that through President Suharto's visit, Sino-Indonesian relations will further grow in all aspects. He said: President Suharto's suggestion for increasing bilateral exchanges and mutual understanding is very important. May President Suharto's visit be a great success.

[While the announcer reads the report, Yang Shangkun is seen conversing with Suharto, who is seated on Yang's right, through interpreters. Seated on Yang's left are Peng Chong, Qian Qichen, Zheng Tuobin, and other Chinese officials.]

More on Meeting

BK1411140090 Jakarta ANTARA in Indonesian
1021 GMT 14 Nov 90

[Excerpt] Beijing, 14 November (ANTARA)—President Suharto arrived in Beijing Wednesday [14 November] and was welcomed by PRC President Yang Shangkun who called on the Indonesian president to forget the past so that both countries could look toward the future together.

Yang Shangkun made the call during his first-round meeting with President Suharto following an official welcoming ceremony at the Great Hall of the People in

Beijing. This was reported from Beijing by ANTARA correspondent Parni Hadi, who added that the local weather was getting colder.

During the official welcoming ceremony, the national anthems of the two countries were played, followed by a 21-gun salute and a review of the guards of honor.

Yang Shangkun said the normalization of Sino-Indonesian diplomatic relations will benefit not only the two countries, but also the Asia-Pacific region.

President Suharto began his talks with Yang Shangkun by saying that Indonesia and the PRC share many similarities, among other things, the construction of new buildings which he saw during his motorcade ride from the airport to Beijing.

President Suharto's visit to Beijing is considered "historic" because it constitutes the first visit to that country following the normalization of diplomatic relations after 23 years. The current visit to the PRC is meant to reciprocate the visit to Indonesia by PRC Prime Minister Li Peng last August. The two countries also agreed to forget the past and look toward the future together. [passage omitted]

Meets With Li Peng

OW1511093090 Beijing XINHUA in English
0916 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—Chinese Premier Li Peng and Indonesian President Suharto held talks here this morning, when they exchanged views on bilateral relations, and regional and international issues of common concern.

At the beginning of the talks, which lasted nearly three hours in a "very cordial and friendly atmosphere," Li extended a warm welcome to Suharto and voiced appreciation of Suharto's positive contributions to the normalization and expansion of Sino-Indonesian relations, according to Chinese Foreign Ministry sources.

Li expressed belief that Suharto's visit will further the mutual knowledge and strengthen the friendly, co-operative relations between the two countries.

In the talks, the two leaders reiterated the five principles of peaceful coexistence and the ten principles of the Bandung Conference as the guiding principles for developing bilateral relations.

They agreed that the development of that relationship not only conforms to the fundamental interests of the two peoples, but also benefits stability and peace in Asia.

Both attached importance to developing co-operative ties in economic, trade and technological sectors, voicing their willingness to expand and deepen such ties.

Li said that China's normalization of relations with Indonesia and its establishment of diplomatic relations with

Singapore, mark the beginning of a new phase of overall development in the country's relations with the ASEAN nations.

"That will produce a very positive impact on solving regional conflicts, the maintenance of peace and stability, and a political solution to the Cambodia problem in particular," he added.

Exchanging views on the Cambodia issue, Li spoke highly of Indonesia's efforts to seek a political solution to the problem.

Both hold that the establishment of a Cambodian National Supreme Council chaired by Prince Sihanouk represents a top priority at the moment.

Other matters, concerning its vice-chairmanship and the enlarging of membership, for example, should be discussed and decided by the National Supreme Council presided over by Sihanouk, they agreed.

They promised to continue their efforts for a political solution to the Cambodia issue.

They expressed concern over the increasingly grave situation in the Gulf, voicing opposition to Iraq's invasion of Kuwait and support for the U.N. Security Council's relevant resolutions.

They called on Iraq to pull out its troops from Kuwait and said they hoped for a peaceful solution to the crisis.

The Chinese premier briefed Suharto on China's development program for the 1990s, as well as the achievements in its past dozen years of reform and opening to the outside world, along with the problems facing the country now.

He stressed that China will push ahead with the reform and open policy laid down by Deng Xiaoping.

Ministers Hold Talks

OW1511093690 Beijing XINHUA in English
0915 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—Chinese Foreign Minister Qian Qichen today held talks with his Indonesian counterpart Ali Alatas.

The two ministers expressed satisfaction with the expansion of bilateral ties in all areas following the normalization of Sino-Indonesian relations this past August, and they further expect that the relationship will continue to grow, according to Chinese Foreign Ministry sources.

Alatas briefed Qian on the recent Jakarta meeting concerning the Cambodian issue during a detailed discussion. Qian voiced admiration for the positive role played by the co-chairmen of the meeting, as well as his satisfaction with the meeting's achievements.

Qian briefed Alatas on his recent trip to the Middle East.

Earlier, Zheng Tuobin, Chinese minister of Foreign Economic Relations and Trade, and Radius Prawiro, Indonesian co-ordinating minister for Economy, Finance, Industry and Development Supervision, held talks on ways to expand bilateral economic and trade relations.

Chinese officials reported that the talks produced positive results.

Use of PRC Satellite Facilities Examined

BK1511074290 Jakarta Domestic Service
in Indonesian 0600 GMT 14 Nov 90

[Text] Indonesia will study the possibility of using PRC satellite launching facilities. This was disclosed by Radius Prawiro, coordinating minister for economic, financial, industrial affairs, and development supervision, to newsmen in Beijing this morning. The PRC has Long March rockets produced by the Great Wall Industrial Company. Coordinating Minister Radius Prawiro said that the matter would be further discussed by experts of the two countries.

On other aspects of cooperation, he said that Indonesia would import cement from the PRC, while the PRC would in return import fertilizers from Indonesia. China needs 8 million metric tons of fertilizers a year. Indonesia has expanded its fertilizer production capacity. Indonesia and the PRC will also cooperate in the industrial sector. Indonesia asked for the PRC's understanding that such industrial cooperation should not affect domestic products now under protection.

RRI [Radio Republic of Indonesia] correspondent Hendro Martono reported from Beijing this morning that President Suharto and PRC Prime Minister Li Peng were holding talks. Ministerial talks involving Foreign Minister Alatas, Minister and State Secretary Mardiono, and the Chinese foreign minister as well as other PRC officials were taking place simultaneously.

Near East & South Asia

Egyptian Official Arrives in Beijing

HK1511090490 Hong Kong AFP in English 0859 GMT
15 Nov 90

[Text] Beijing, Nov 15 (AFP)—Egypt's Minister of State for Foreign Affairs Butrus Ghali arrived here Thursday for a three-day visit expected to be dominated by talks on the Gulf crisis, the Egyptian embassy here said.

Mr. Butrus Ghali, who arrived here after attending Emperor Akihito's enthronement ceremony Monday in Tokyo, is bearing a message from Egyptian President Hosni Mubarak, an embassy spokesman said, but gave no other details.

His visit comes in the wake of a trip to Cairo by Chinese Foreign Minister Qian Qichen earlier this month as part of a Middle East tour to seek a peaceful solution to the Gulf crisis.

The foreign ministry here said the Egyptian official would meet deputy Foreign Minister Yang Fuchang later Thursday and hold talks with other Chinese officials, including Mr. Qian, on Friday.

More on Qian Qichen's Interview in Saudi Arabia
HK1511034390 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 15 Nov 90 p 6

[XINHUA report by Zhou Zexin (0719 0463 9515): "Qian Qichen Says Gulf Situation Is Grave and Every Effort Must Be Made To Seek a Peaceful Solution"]

[Text] Jeddah, 12 Nov (XINHUA)—During an interview with a XINHUA reporter upon ending his four-nation Middle East tour, Chinese Foreign Minister Qian Qichen said the current situation in the Gulf is grave, and China is willing to strengthen cooperation with the international community and make every effort to seek a peaceful solution to the dispute.

Foreign Minister Qian said his visit was mainly to exchange views with the leaders of the concerned countries and to probe possibilities for solving the Gulf problem peacefully.

He said: "During my stay in Egypt, Saudi Arabia, and Jordan, I heard the views of all sides. Although there were differing views, there was consensus of opinion on two points. First, all were opposed to Iraq's invasion and annexation of Kuwait and demanded that Iraq withdraw from Kuwait; and second, all expressed hope for a peaceful solution to the Gulf problem because this will benefit all sides. If war breaks out in the region, it will cause heavy losses to all sides and entail serious consequences to peace and stability in the region and to the world peace and economy as a whole."

Foreign Minister Qian said he had "serious, earnest, and frank discussions" with Iraqi President Saddam Husayn and Foreign Minister Tariq 'Aziz. Qian said: "I emphasized the 2 August invasion was a gross violation of the principles guiding international relations and thus unacceptable to the international community. The Chinese Government has always held disputes between countries should be solved by peaceful means and use of force and military invasion must not be permitted."

Foreign Minister Qian added: "I expressed in explicit terms China's position on solving the Gulf issue peacefully. Although the Iraqi side held [chi you 2170 2589] their own views, they listened attentively to ours."

Foreign Minister Qian finally pointed out: "The situation in the Gulf is going through a tense, delicate moment. The danger of war is increasing, but cries for peace are becoming louder at the same time. Upholding the principles guiding international relations and striving to solve disputes peacefully constitute the common aspiration of the international community and represent the popular desire and the trend of times."

Ambassador to Saudi Arabia Views Ties

OW1011212090 Beijing XINHUA in English 1931 GMT 10 Nov 90

[Text] Jeddah, November 10 (XINHUA)—Chinese Ambassador Sun Bigan presented his letters of credence to Saudi King Fahd at the royal court here today.

King Fahd and Ambassador Sun Bigan had cordial and friendly talks at the end of the ceremony of presenting credentials.

The Chinese ambassador told the king that he will do his best to work for further development of the friendly and cooperative relations between the two countries and for the enhancement of friendship between the two peoples.

King Fahd expressed satisfaction over the development of Sino-Saudi relations. Strengthened relations between China and Saudi Arabia in all fields are beneficial to the interest of the two countries, he said.

China and Saudi Arabia established diplomatic relations on July 21 this year. Sun, who came to the kingdom in December last year as the commercial representative of China, was appointed as the Chinese ambassador after normalization of relations.

NPC's He Ying Departs for Oman Visit

OW1511031490 Beijing XINHUA in English 0145 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—He Ying, vice-chairman of the Overseas Chinese Committee of China's National People's Congress (NPC), left here for the Sultanate of Oman this morning to attend the activities marking Oman's 20th anniversary as guest of the Omani Government.

He, also a member of the NPC Standing Committee, was seen off at the airport by Mushtaq ibn 'Abdallah ibn Ja'fer, the Omani ambassador to China.

Song Ping Meets Moroccan Party Delegation

OW1211113290 Beijing XINHUA in English 1115 GMT 12 Nov 90

[Text] Beijing, November 12 (XINHUA)—Song Ping, member of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee, met with a delegation from the Moroccan Party of Progress and Socialism here today.

The delegation is led by Layachi Abdellah, member of the Political Bureau of the Moroccan Party Central Committee.

During the meeting, Song briefed the guests on China's adherence to the socialist road and the reform and open policy.

Song and Abdellah expressed the hope for further strengthening the friendly relations of cooperation

between the two parties and two countries. They also exchanged views on some international issues.

Zhu Liang, head of the International Liaison Department of the CPC Central Committee, was present on the occasion.

'Roundup' Views Political Realignment in India

OW1011105990 Beijing XINHUA in English
0803 GMT 10 Nov 90

["Roundup: Realignment of Political Forces in India"—XINHUA headline]

[Text] New Delhi, November 10 (XINHUA)—A drastic realignment of political forces is going on in India when Chandra Shekhar was sworn in as new prime minister here today.

The leader of the Janata Dal (Socialist) was invited by President R. Venkataraman to form an alternative government to replace the Janata Dal-led national front government headed by V.P. Singh, which was voted out on the floor of the Lok Sabha (Lower House of Parliament) on November 7.

Shekhar received the invitation on Friday after furnishing a list of 280 members of Parliament supporting him.

Of the 280 members listed by the new prime minister as his supporters, 61 are from his Janata Dal (Socialist), a breakaway faction of the Janata Dal (People's Party) headed by V.P. Singh.

The main supporter of the new government is the Congress (I), the largest single party in the Lok Sabha with 195 seats.

The new government also has the support of the Congress (I)'s allies—All-India Anna Dravida Munnetra Kazhagam (a local party in the southern state of Tamil Nadu), the National Conference (a local party in India-controlled Kashmir) and other smaller parties.

When asked what he felt about seeking congress support to form the government after his original party, Janata Dal, headed by V.P. Singh had been elected on an anti-congress mandate in November last year, Shekhar said the situation had changed between then and now.

In the last general election, though the National Front secured only 143 seats of the 525-seat Lok Sabha, it gained support from the Bharatiya Janata Party (BJP) and the left parties in its efforts to form the government. The combined strength of these parties was 285 seats at that time.

Commenting on the V.P. Singh government, a major magazine "INDIA TODAY" said, "he inherited one of the most difficult jobs in the world: running India with a minority government hanging in an impossible balance between the left and the BJP".

The 86-strong BJP finally withdrew its support to the V.P. Singh government on October 23 following a controversy

over the thorny Ram Temple-Babri Masjid (mosque) issue. The pro-Hindu BJP had urged the government to hand over the disputed site, where a mosque stands, in Ayodhya of Uttar Pradesh (northern state) to Hindus, which was opposed by the V.P. Singh government.

Now, the new government headed by Shekhar "will have to depend a lot on the Congress (I) and would require a high degree of coordination with the Congress (I)," said "THE HINDUSTAN TIMES" today.

The Congress (I) has two major objectives in supporting Shekhar. One is to reduce the importance of the BJP and the other to create as many splits in the Janata Dal as possible, said another newspaper "THE STATESMAN."

The possibility of a mid-term election is still looming large over the country, although President Venkataraman said today that he thought the Shekhar government would last the full term. Chandra Shekhar himself also hinted on Friday at such a chance. "I think there should be a mid-term poll if the situation improves, if the people wishes and if political parties want," he said.

The Communist Party of India (Marxist) leader, Jyoti Basu, said on Friday that the Congress (I)-backed Shekhar government will not last long. The BJP also felt that the country is in for an early snap poll to the Lok Sabha.

Indian newspapers believed that the evolving relationship between the Congress (I) and the new prime minister will finally decide when mid-term elections will be held.

"The Congress (I), being the largest party, will certainly choose the timing for the poll," "THE HINDUSTAN TIMES" said.

A Congress (I) spokesman claimed on Friday that it has not put any pre-conditions for extending support to Shekhar, "but hoped that Shekhar will not do anything which is inconsistent with the ideology and policies of the Congress (I)."

Chinese-Built Container Ship Sold to Bangladesh

OW1011024190 Beijing XINHUA in English
1630 GMT 9 Nov 90

[Text] Tianjin, November 9—A container ship built by China for Bangladesh was successfully launched here Thursday.

The ship, named the "Banglar Shikna", has a deadweight capacity of 12,300 tons. It was produced by the Tianjin Xingang Shipyard.

It has a capacity of 6,660 hp and it can carry 693 standard containers. The length of the ship is 147.5 m and it is equipped with an advanced satellite navigation system.

West Europe

Conflicts on European Security Structure Noted

OW1511035890 Beijing XINHUA in English
0140 GMT 15 Nov 90

["Roundup by (Shi Lujia): Contradictions and Conflicts Over New European Security Structure"—XINHUA headline]

[Text] Beijing, November 15 (XINHUA)—Over the last two years, dramatic changes have occurred in the political arena of Europe, marked above all by the rapid reunification of Germany and the basic dissolution of a post-war pattern that featured tense confrontation between the two superpowers and the two military blocs they led.

But for European politics, no new pattern has taken shape yet. The realignment of forces is still in progress and the balance of power unsettled, leaving the situation as a whole in unrest. What the future European order should be like is a concern in everyone's mind.

The Soviet Union, the United States and Western European countries have all put forth their plans, designed to advance their own interests. From these contrivances, one can see that on the European stage, while many of the long-standing clashes of interest have remained to stay, new contradictions and conflicts have emerged.

As early as a few years ago, Soviet leader Mikhail Gorbachev had his idea of a "European mansion" put forward, the gist of which is:

- To expand the role of the Conference on Security and Cooperation in Europe (CSCE) from being a mere venue of European and U.S. leaders to a political entity designed to administer and manage European affairs;
- To magnify the political function of the Warsaw Pact and the NATO so that the two blocs will cease to be military rivals menacing each other;
- To speed up European disarmament talks, lowering the level of both sides' military build-up and phasing out nuclear weaponry;
- To define the military and political status of a unified Germany to prevent it from becoming a new element threatening Soviet and European security;
- To promote European cooperation on the basis of continent-wide integration, and establish a "coordinated, yet non-aligned" security structure.

In order to create favorable conditions for the realization of these ideas, the Soviet Union has embarked on active and extensive diplomatic undertakings tinged with compromises with the United States, tolerating drastic changes in Eastern Europe, agreeing to a unified Germany in NATO, and reaching an agreement with the U.S. on conventional arms reduction in Europe through major concessions.

Meanwhile, the United States has been advocating a "new atlanticism," which was first brought up by President George Bush in a speech delivered at the NATO headquarters in Brussels last December. The concept was expounded later by Secretary of State James Baker who formally suggested in West Berlin the "creation of a new Europe on the basis of a new atlanticism," the substance of which is as follows:

- The NATO should become a supranational framework taking care of not only defense, but also politics and economy, while remaining a military organization;
- The European Community (EC) should "open" to other countries, and relate itself to the U.S. in form of pacts so as to become "an economic pillar in the relations between both sides of the Atlantic;"
- The EC should play a more powerful role in promoting changes in the Soviet Union and Eastern Europe;
- The function of the CSCE should be expanded, making it "the most important arena for East-West cooperation."

To sum up, the idea is to create "a free and integrated Europe" under the leadership of the U.S., with NATO, the European Community and the CSCE as its three pillars.

Meanwhile, West European countries aim to establish "a free united Europe" from the Atlantic to Ural. Despite the fact that they differ in the specific objectives they pursue, they are quite close to one another on basic issues such as:

- To keep the NATO as it is without trying to expand its function;
- To strengthen the EC's political role, but allow no U.S. participation in its affairs;
- To speed up the integration of economy, politics and defense of the EC;
- To strengthen the CSCE's role in future European reconstruction.

The essence of their idea is to build a "free Europe" inclusive of East European countries with the European Community being the nucleus.

The different propositions held by the Soviet Union, the United States and Western Europe betray their different strategic intentions and interests.

The Soviet Union considers a new CSCE-based security structure encompassing all Europe and the United States and the Soviet Union as a leverage to achieve three things, now that the Warsaw Pact is on the brink of disintegration: dismantling the NATO as a spear trained at the Soviet Union; capitalizing on Europe-U.S. friction to weaken the U.S. position in Europe; and constraining the unified Germany.

The immediate interests Moscow expects to procure is that this structure will help attract Western investment and technology it needs so badly to cope with its exigencies, to boost its overall national strength, and to improve its status in Europe.

The United States, faced with a shaky NATO and a decomposing Yalta system, seeks to preserve its leadership and interests in Europe by enlarging the NATO's function, acceding to the EC and exploiting the CSCE.

In collaboration with Western Europe, Washington will also try to further the evolution under way for some time in the Soviet Union and Eastern Europe to the palate of the West. In addition, it will see to it that it is able to keep the unified Germany in line while making use of its potential.

West European nations, while sharing a common interest with the United States in countering the Soviet Union, encouraging the ongoing changes in Eastern Europe and restraining the unified Germany, hate to see the U.S. continue to manipulate European affairs and strongly desire to play a predominant role in European reconstruction.

Western analysts observe that the dispute between the two sides of the Atlantic is now focussed on "who is to be at the helm" of Europe. Hence the essence of their dispute is to establish "an Europe of Europeans or the one shared by both sides of the Atlantic."

Yet, for all the differences over an envisioned new security structure in Europe, both sides generally agree to cement the role of the CSCE, the only international organization capable of bringing the two superpowers and all European countries together.

Both sides have put forward some specific proposals, including regular consultations of CSCE leaders, the establishment of an executive body such as a secretariat, and the creation of two centers respectively responsible for reducing war risks and averting sudden attacks.

These proposals will be submitted at the Paris summit of the CSCE scheduled for November 19-21, and some accords are likely to be signed.

However, due to the existing deep-rooted conflicts of interests among the parties concerned, even if the CSCE is institutionalized and systematized, people are still hard to overestimate the future role of CSCE. The process to shape a future Europe is bound to be one full of complexities and uncertainties.

Li Shuzheng Attends Spanish Party Congress

*OW1211100890 Beijing XINHUA in English
0753 GMT 12 Nov 90*

[Text] Madrid, November 11 (XINHUA)—The closing session of the 32nd congress of the ruling Socialist Workers Party re-elected here today Ramon Rubial party chairman and Prime Minister Felipe Gonzalez the party's general secretary.

The congress also expanded its former 23-member executive bureau into a 31-member body, but all important posts went to the former bureau members.

Most of the 871 deputies, representing more than 260,000 socialists in the country, saw the new executive bureau as a leading body combining continuity and renewal. However, the bureau does not include some well-known critics. Gonzalez himself admitted his party may lack some of those who have a more open mind.

Opening the 111-year-old party's congress on November 9, Prime Minister Gonzalez underscored time and again that the current congress was aimed at introducing more democracy and "openness" into the party and at uniting people with different ideas in the building of a "common home of the leftists," and of a more modernized Spain.

Present at the three-day congress were representatives from many foreign political parties, most of them members of the Socialist International. Deputy Head of the International Department of the Chinese Communist Party Li Shuzheng attended the congress on behalf of the Chinese Party.

Meets Party Official

*OW1211133090 Beijing Domestic Service
in Mandarin 2230 GMT 11 Nov 90*

[From the "News and Press Review" program]

[Text] Guerra, deputy general secretary of the Spanish Workers Socialist Party and deputy prime minister of the Spanish Government, praised China's reform as great when meeting with Li Shuzheng, deputy head of the International Liaison Department of the Central Committee of the Communist Party of China (CPC) and representative of the CPC, on 10 November. He hoped that China would make even greater contributions to the world.

Guerra said: I have great sympathy for and support China's reform. This is my attitude even when China faces difficulties. He said: Deng Xiaoping is a great figure and has played an important role in China's reform. He said: China is a big country and so can make great contributions to the world. At present, along with other countries, China is playing an important role in overcoming the Gulf crisis.

Song Jian Meets Swiss Science Official

*OW1211024190 Beijing Domestic Service
in Mandarin 1700 GMT 11 Nov 90*

[From the "International News and Current Events" program]

[Text] Cooperation between China and Switzerland in science and technology should be further developed. This was indicated by Song Jian, minister in charge of China's State Science and Technology Commission, who

is currently visiting Geneva, and a responsible person of the concerned Swiss department after their talks on 11 November.

Song Jian has made goodwill visits to Swiss cities Bern and Zurich after attending the second world climate conference.

Song Jian held talks with (Mars Colan), chairman of the Science Research Leading Group of Switzerland. Both agreed that Sino-Swiss cooperation and exchange in science and technology has been satisfactory. They said that cooperation and exchange should be further developed in all fields of science and technology on the basis of the Sino-Swiss Science Cooperation Agreement signed by the two governments last year.

French Employer Praises PRC Investment Climate

OW1411081590 Beijing XINHUA in English
0648 GMT 14 Nov 90

[Text] Paris, November 13 (XINHUA)—A leading French employer has advised his countrymen to make investments in China, which he said is endowed with "a fine economic environment."

Francois Perigot, president of the National Confederation of French Employers, made the advice in a press interview here today after returning from China where he made a week-long inspection tour at the head of a delegation of French businessmen.

The delegation's visit was the first important China tour ever made by Western businessmen since October 22 when the European Community (EC) lifted its economic sanctions against China.

Perigot said an exchange of views with Chinese Government leaders and economic officials convinced him of a proper role being played by market economy in China.

He said frankly that China provides a safer investment environment than certain Eastern European countries which he visited a few days before.

China has accumulated enough experience in the past decade to get things better, he added.

Perigot said that during his China tour he was also informed of China's new five-year plan, which will give preferential treatment to exclusively foreign-funded enterprises.

Perigot said he has found an extensive basis for and practical significance in fostering cooperation between France and China. China hopes to see a fast development of its communications, energy, tele-communications, petro-chemistry and car manufacturing—areas in which France can play a significant role, he said.

The leading French employer considered Shanghai to be a highly competitive city in winning foreign investments.

"It would be short-sightedness if one ignores China's vast potential as a consumer market," he stressed.

He suggested that French businessmen dispatch resident representatives to China before they make investments there.

British Expert Says Daya Bay Nuclear Plant Safe

HK1311025190 Hong Kong SOUTH CHINA
MORNING POST in English 13 Nov 90 p 6

[By Eamonn Fitzpatrick]

[Text] China's Daya Bay nuclear plant appears to be as safe as nuclear reactors in Europe, a British fire safety expert said yesterday.

Speaking at the Fire East '90 exhibition and conference, Mr Bruce Hogg, the principal fire adviser to Nuclear Electric (UK), said he was satisfied that safety standards at the plant would meet international standards.

After hearing a paper on fire protection at the plant delivered by Mr Chu Pinchang, the engineering and project control manager at Daya Bay, Mr Hogg said: "From what I heard I was satisfied the standards will reach the prescribed limit, but I would have to look in far more detail.

"My impression was that they have gone into great detail and I know that they are following the French design, and French standards are very high.

"I have no reason but to expect that the standards they are presenting will be just as high."

Fears have recently been expressed over problems with nuclear power plants designed by the French firm Electricite de France, which is building the twin reactors at Daya Bay.

A French environmental group has warned that Daya Bay could be affected by corrosion that can cause leaks of radioactive water in the steam generators.

But Mr Hogg said he was confident stringent standards would be enforced at the plant, 51 kilometres northeast of the territory. Seventy percent of the plant's generated electricity will be channelled to Hong Kong.

"The French are experts on this—70 percent of France's electricity is generated by nuclear power stations—and I would have thought that any station they are supervising in Daya Bay would be as safe as any station anywhere," Mr Hogg said.

"I can only say my expectations would be that the standards are very high provided the people are properly trained to deal with these things.

"Then you're as safe as you are from any industrial hazard—you can never totally eliminate risk," he said.

Mr Hogg said accidents at nuclear power stations were rare and the safety record for the nuclear industry was extremely high.

"Generally speaking, the complexity of the plant is such that they are only constructed by people who know what they are doing and who are aware of the dangers," he said.

Mr Chu said the reactors and auxiliary support equipment were designed and built in compliance with stringent French regulations, while the fire detection and protection systems met international standards as well as those specifically stipulated by the UK and France.

He said the Chinese regulations would be applied to the project if any of the mainland requirements were more stringent than the British or French standards.

Mr Chu said the plant's reactor building was built of reinforced concrete and the internal walls were coated with a paint that could not be contaminated.

Adequate measures had been taken to prevent the risk of fire in the electrical building, which was a potential fire hazard because of the large number of electrical cables in the structure, he said.

The three-day conference, which is being attended by hundreds of fire experts from around the world, is focusing on fire-fighting technology and also features a two-day exhibition.

Latin America & Caribbean

Reportage on Visit by Argentine President Menem

Welcomed by Jiang Zemin

OW1511094790 Beijing XINHUA in English
0902 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, met here today with Argentine President Carlos Saul Menem.

Jiang extended a warm welcome and then told Menem: "You are the first Latin American head of state with whom I have become acquainted, since I assumed the post of the party general secretary. I feel extremely delighted."

Chinese Foreign Ministry sources disclosed that Menem said he was delighted to have an opportunity to visit China, a country he hopes to learn more about and for which he has a deep admiration.

Menem said that there has always been good relations between Argentina and China, and that the ties between the Argentine Justicialist Party and the Chinese Communist Party are also being deepened and strengthened.

The Argentine president said he fully supports the reunification of the Chinese Mainland and Taiwan.

Jiang said that since the establishment of diplomatic relations 18 years ago, the relations between China and Argentina have expanded in a number of areas. The two countries have many points in common, he added. Come

what may in the world, friendship between the Chinese and Argentinian peoples remain.

The general secretary said that the Chinese Communist Party will celebrate its 70th anniversary next year. The party has always worked hard for the materialization of democracy and freedom during the preceding 70 years.

Since the founding of New China, he added, the party has made tremendous efforts to improve democracy and the legal system.

Jiang said that China and Argentina have two common desires, namely, peace, and development of their national economies. He said that China has a population of more than 1.13 billion. A domestic situation characterized by unity and stability is essential to China's economic development.

He stressed that the policy of reform and opening to the outside world formulated by Deng Xiaoping has played a great role in China's economic development.

Jiang also reiterated China's adherence to the five principles of peaceful coexistence, which guide relations between different countries, stressing, in particular, the principle of non-interference in each other's internal affairs. "We stand for seeking common ground while reserving differences," he said.

Jiang expressed his appreciation for Menem's invitation for a later visit to Argentina.

After the meeting, Jiang hosted a luncheon for Menem.

Meets With Yang Shangkun

OW1511095090 Beijing XINHUA in English
0921 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—Chinese President Yang Shangkun and Argentine President Carlos Saul Menem held talks here this morning to exchange views on international issues and bilateral relations.

According to information from a Chinese Foreign Ministry briefing, Yang said that China hopes to see an increasingly relaxed international situation.

The Chinese president pointed out that the world is not totally peaceful as yet, although relations between the East and West have gradually changed from confrontation to dialogue.

Reiterating the Chinese Government's position concerning the Gulf crisis, Yang stressed the desire of the government to see the crisis solved politically and in a peaceful manner.

China does not want to see war in the Gulf, he said, because it would produce serious consequences.

Yang explained that the purpose of Chinese Foreign Minister Qian Qichen's recent visit to the Gulf was to

promote a peaceful solution to the Gulf crisis, and stressed that China is willing to make contributions to this end.

Menem praised China for its observance of basic principles for international relations and its efforts to seek justice, which, he said, are favorable towards world peace.

The Argentine president said he fully agrees with China's position concerning the Gulf crisis.

When discussing China's domestic situation, Yang said a stable situation is essential to a country. The present situation in China is good, and is politically, economically and socially stable.

"China is overcoming both its own shortcomings and difficulties brought about by external pressures," Yang said.

"As we have made our greatest efforts," he added, "we have earned a better situation."

Yang also told his guest that China will continue to improve its reform and opening policy.

Both sides expressed their willingness to further develop Sino-Argentinian co-operation in every area.

Earlier today, President Yang presided over an official ceremony to welcome President Menem.

Chi Haotian Meets Argentine Joint Chief of Staff
OW1411140590 Beijing XINHUA in English
1306 GMT 14 Nov 90

[Text] Beijing, November 14 (XINHUA)—General Chi Haotian, chief of General Staff of the Chinese People's Liberation Army (PLA), met Admiral Emilio V. Osses, joint chief of staff of the Argentine Armed Forces, here tonight.

Chi and Osses had a friendly conversation.

Admiral Osses, who is accompanying Argentine President Carlos Saul Menem on his visit to China, arrived here earlier today.

Political & Social**Planning Work Conference Scheduled 25 Nov-1 Dec***HK1511022990 Hong Kong WEN WEI PO in Chinese
15 Nov 90 p 2*

[Report by staff reporter Chen Chien-ping (7115 1696 1627): "National Planning Work Conference To Be Opened in Beijing in Late November"]

[Text] Beijing, 14 Nov (WEN WEI PO)—According to sources here, the national planning work conference will be held in Beijing from 25 November to 1 December. The meeting will mainly discuss China's 1991 national economic development plan. It is learned that the outlines of the Eighth Five-Year Plan and the 10-Year Development Plan, which was revised according to the opinions gathered at last September's national conference of provincial governors, have now been issued again to various provinces, municipalities, and autonomous regions for soliciting opinions. So far, various quarters concerned have expressed many opinions on the two outlines. After collecting these opinions, the central department concerned will submit the two plans to the 13th CPC Central Committee's Seventh Plenary Session for deliberation.

Reportedly, the central leadership has attached great importance to the two above-mentioned meetings [national planning work conference and the 13th CPC Central Committee's Seventh Plenary Session], because they concern our country's economic development plans for 1991, the next five years, and the period up to the year 2000; and this is an important issue concerning whether our economic development's established strategic objective will be achieved. Therefore, the central leadership decided that no other national meetings will be held until the end of this year in order to concentrate on the coming national planning conference and the central committee plenum. Some national meetings, including a national cultural work conference, will be postponed to next year. The central leadership required all quarters concerned to concentrate their energy on the two meetings.

The authorities concerned began to draft the Eighth Five-Year Plan and the 10-Year Development Plan in June this year, and the initial drafts were completed in September. Then, opinions on the plans were collected from various departments and localities, including opinions on the financial quota assignment system adopted in some localities in recent years and the enterprise management contract system. As there were many different, and even opposing opinions, the central leadership held that it is necessary to first collect and coordinate various opinions before the official meeting is held in order to ensure scientific and democratic policy-making.

Appointments, Removals Before Plenum Viewed*HK1411150090 Hong Kong TANGTAI in Chinese
No 50, 10 Nov 90 p 6*

[Article by Ho Po-shih (0149 0130 2457) from Beijing: "Yan Mingfu Is Officially Removed From Office, Ding Guangen Is Appointed Director of United Front Work Department, and Hu Jintao Is Called Back From Tibet by the Central Authorities Before the Seventh Plenum"]

[Text] A well-informed source told this author that after a period of confusion, Ding Guangen, who has always been a lucky man among his fellow officials, has finally been appointed director of the United Front Work Department of the CPC Central Committee (that is to say, he will be a member of the Secretariat of the CPC Central Committee and concurrently the director of the United Front Work Department), while the former director of the department, Yan Mingfu, who has remained obscure for quite a while, has been officially removed from his post. A circular on the new appointment has been distributed within the party. This can be noted as a relatively important personnel change before the opening of the Seventh Plenary Session of the 13th CPC Central Committee.

Another personnel change at the provincial and ministerial level is that Hu Jintao, secretary of the Tibet regional party committee, has been called back by the central authorities, pending a new appointment. Hu Jintao was one of Hu Yaobang's followers and belongs to the Communist Youth League [CYL] system. Before he was assigned to Tibet in the wake of Hu Yaobang's step-down, he had been the secretary of the Guizhou provincial party committee. As racial conflicts have occurred in Tibet from time to time in the past few years, the CPC top leadership lays the blame on Hu Jintao, believing that his liberal style shows his tendency of liberalization. His being called back by the central authorities this time is in fact a purge under the pretext of a rotational reshuffle of cadres.

Li Xiannian Does Not Want To See Yan Mingfu Resume Office

Yan Mingfu has been under investigation for a long time since 4 June last year. Although he was removed long ago from the post as member of the CPC Central Committee Secretariat, he has remained director of the United Front Work Department of the CPC Central Committee. Why then has he finally lost this post after more than a year?

According to the informed source, there are two main reasons why Yan Mingfu has not been reinstated. First, Li Xiannian, one of the "eight old men," is on bad terms with Yang Shangkun. As Yang intends to recruit Yan into his faction, Li dislikes Yan and does not want to let him resume office.

Li and Yang fell foul of each other during the 1988 National People's Congress election. Under the pretext that comrades of advanced age should take the lead in withdrawing from their official posts, Deng Xiaoping

demanding an immediate retirement of a number of people. It was on that occasion that Li Xiannian was forced to give up the post of state president in exchange for his present post as chairman of the Chinese People's Political Consultative Conference [CPPCC] National Committee. So he was actually demoted. In the meantime, however, Deng Xiaoping offered the presidency to Yang Shangkun, who is one year older than Li Xiannian. This arrangement irritated Li. Since then the relations between Li and Yang have further worsened, and they have been at variance on many issues.

The Case of Zhou Shaozheng Remains Unsettled

Yan Mingfu was not a member of Yang Shangkun's faction. But after 4 June last year, Yang has been trying to recruit Yan into his faction by doing Yan some favors. In fact, under the current power structure, Li Xiannian can hardly obstruct any operation by Yang Shangkun. Since the director of the United Front Work Department, however, usually holds the post of CPPCC National Committee vice chairman concurrently, and it happens that Li Xiannian is the present CPPCC chairman, Li definitely has a say on the reinstatement of Yan Mingfu.

Second, the relationship between Yan Mingfu and the former CPPCC National Committee secretary general Zhou Shaozheng is still not clear. Zhou's actual position was vice minister of State Security. He was assigned to the CPPCC National Committee to keep watch on the committee. He was purged after 4 June last year because of some personnel problems and Yan Mingfu was alleged to be involved in his case.

Because of the above two factors, Yan Mingfu has been relieved of his posts. Although he still keeps the title of director of the United Front Work Department, he is not allowed to show up on public occasions. Recently, as the seventh plenum is going to open soon, some personnel problems have to be settled, therefore Yan Mingfu is now officially removed from his post.

Ding Guangen Is Really Skillful in Climbing to Power

As for Ding Guangen, it is known to all that he is Deng Xiaoping's most favorite bridge partner. Apart from this, he is also well known for his skill in power climbing. As revealed by the well informed source, despite his being removed from the post of minister of railways after a series of major railway accidents, Ding was not excluded from the power hierarchy, but has been promoted higher and higher. Only about half a year after his removal from the previous post, he was appointed to the new post of first vice minister of the State Planning Commission, just second to Yao Yilin. Shortly after this, he was appointed director of the newly established Taiwan Affairs Office under the State Council, and therefore a member of the leading group for Taiwan affairs of the CPC Central Committee as well. After 4 June last year, he was promoted to be a member of the Secretariat of the CPC Central Committee, while concurrently holding the

post of deputy head of the covert leading group for propaganda work, only under Li Ruihuan within the organization. So, as an alternate member of the CPC Political Bureau and the new director of the United Front Work Department, Ding Guangen can well be regarded as a rising star. According to the usual practice, arrangements will be made for him to be also elected vice chairman of the CPPCC National Committee.

The informed source said: The reason why Ding Guangen is so successful in his career is because he knows how to climb to power very well. After being removed from the post of minister of railways, he decided to throw in his lot with Li Peng rather than Zhao Ziyang, who was then in power, since he knew very well that Li Peng was the vice premier in charge of communications and bore an indirect responsibility for the blunders in railway operation. For this reason, Li Peng has been covertly shielding him. When he was ordered to make a self-criticism at a State Council meeting, Li Peng openly defended him. After that Li Peng assigned Ding Guangen to work under Yao Yilin, thus the conservative faction became the umbrella providing protection for Ding.

Jiang Minkuan Is a Technocrat

The newly appointed executive deputy director of the United Front Work Department of the CPC Central Committee, Jiang Minkuan, is now 60 years old. A native of Wuxian county, Jiangsu Province, he graduated from the Shanghai Industrial Institute in 1949 and joined the CPC in 1961. He had held the following posts: chief engineer and director of the Southwest Aluminum Processing Plant; deputy secretary of the Sichuan Provincial CPC Committee; vice governor and governor of Sichuan Province. In 1988, Jiang was called back to work at the central level, holding the posts of vice minister of the State Science and Technology Commission and director of the State Patent Administration. He is now transferred to the United Front Work Department to take up the important post because he, as a technocrat, has long been working together with intellectuals of the scientific and technological circles and has administrative experience.

After 4 June last year, the United Front Work Department had been headed by Wan Shaofen, former secretary of the Jiangxi provincial party committee. However, since Wan does not have a strong backing, is not competent, and does not enjoy high prestige among intellectuals, he has finally been removed from the post.

Spokeswoman, Daughter Comment on Deng's Health

HK151115090 Hong Kong AFP in English 1138 GMT 15 Nov 90

[Text] Beijing, Nov 15 (AFP)—China's paramount leader Deng Xiaoping is in "quite good" health, a foreign ministry spokeswoman said Thursday, as a local news agency quoted his daughter as saying she was fed up with queries about her father.

"Comrade Deng Xiaoping is in quite good health," spokeswoman Li Jinhua told a weekly foreign ministry press

briefing, dispelling the latest rumors on the health of the 86-year-old known as a heavy smoker.

The semi-official China News Service (CNS) quoted his daughter, Deng Lin, as saying she was "getting a migraine" from answering questions about her father who, she said, was enjoying a quiet retirement, surrounded by family members.

Ms. Deng, who is currently in Tokyo for an exhibition of her paintings, told CNS that her father spends his days reading newspapers, gardening, playing bridge with friends and watching television.

She said Mr. Deng was living in Beijing with 17 family members, including his second wife, two sons, three daughters and four grandchildren.

The last rumor on Mr. Deng's allegedly failing health came last week and had him admitted to Beijing's Hospital Number 301.

The report was immediately denied by the foreign ministry here and, contrary to many previous rumors on the Chinese leader's health, had no visible effect on the Hong Kong stock market.

Mr. Deng officially retired from all state functions one year ago.

He has dropped out of public sight completely since June when he met visiting Bangladesh President Hussain Mohammad Ershad.

He has since refused to see any visiting dignitaries—not even "old friends" such as Singapore Premier Lee Kuan Yew, who was here on a farewell visit last month before he himself retires.

At her weekly briefing, Mrs. Li also underplayed the illness of Wan Li, president of the National People's Congress—the Chinese parliament—who cancelled a planned trip to Britain for health reasons.

"Wan Li has been indisposed and his doctors have advised him to rest for some time," Mrs. Li said.

She added that talks were under way with London to have Mr. Wan's invitation from the House of Commons switched to Tian Zengpei, the vice-minister of foreign affairs in charge of European affairs.

Journal Views Deng on Rectification, Reform

*HK1511102990 Hong Kong CHING PAO in Chinese
No 160, 10 Nov 90 pp 38, 39*

[Article by Chen Chieh-hung (7115 3381 1738): "Deng Xiaoping Made New Statements on Reform, Forbidding Rectification To Hold It Down"]

[Text] It was not I alone who conceived the reform and opening up policy. It is genuine knowledge gained from the 35 years of practice since the founding of our country and was obtained at a tremendous price. Reform and

opening up should be the principal guiding direction for the "Eighth Five-Year" Plan and the ten-year program. Reform and opening up must be made quicker, better, and must have more practical results.

As reform evolves, the key becomes reforming every type of superstructure not helpful to construction.

We will not let improvement and rectification suppress or negate reform and opening up.

Newly appointed Minister of the State Commission for Restructuring the Economy, Chen Jinhua, in an interview with the XINHUA News Agency in mid-October, revealed Deng Xiaoping's demands for the "Eighth Five-Year" Plan. Chen Jinhua said that during the whole of the "Eighth Five-Year" Plan and of the 1990's, China will not only continue to adhere to reform and opening up, but also, as Deng Xiaoping has asked, make reform "quicker, better, and come up with more practical results." Outside circles have all commended this and take this message as an indication that Deng Xiaoping is still presiding over the great undertaking of China's reform and opening up.

When did Deng Xiaoping make these demands and what were the details of his talk? After many setbacks this writer finally learned from informed sources, the gists of Deng Xiaoping's recent talk on how China will continue to adhere to reform and opening up.

The Reform and Opening Up Policy Must Not Be Shaken

After the Asian Games ended on 7 October, Deng Xiaoping gave important instructions on the policy and direction of reform and opening up to visiting Political Bureau Standing Committee members such as Jiang Zemin and Li Peng. Yang Shangkun, Wan Li, Wang Zhen, Bo Yibo, Song Renqiong, Xi Zhongxun and others were present on the occasion.

Deng Xiaoping said: The reform and opening up policy, having gone through decades of practice in China, has repeatedly proved correct. Reform and opening up is a great revolution in construction since the founding of the country. I will repeat again: It was not me alone who conceived the reform and opening up policy. The policy represents genuine knowledge which our party has gained from the 35 years of practice since the founding of our country and it was obtained at a tremendous price. The direction and policy of reform and opening up were formulated in the face of the reality of our country and world development trends and were a result of our search, and as such are supported by the people. We must treasure, sum up, and develop the results of reform and opening up. There cannot be the slightest wavering or revision to the policy of reform and opening up. What theory and practice do we have with which to doubt this policy?

Reform and Opening Up Should Be Taken as the Guiding Policy

Deng continued: We are now formulating the "Eighth Five-Year" Plan and an economic development plan for the most

critical decade of this century. The overall guiding policy should be speeding up the pace of, and perfecting, reform and opening up. (It is said that Deng had said this to Yao Yilin during this year's spring festival.) Reform and opening up must be made "quicker, better, and must have more practical results." The reform and opening up policy will remain unchanged in future decades.

The Reputation of the Country Is Determined by the Results of Reform

Deng also said: We must admit that the current world still recognizes only power. The United States, the Soviet Union, East and Western Europe, and our Asian neighbors are all watching the progress of our country's reform and opening up. The results of our reform and opening up will determine the reputation of our country and our right to voice our opinion in international affairs. The reason why we enjoy the right to voice our opinion in the international world to some extent today, is because we are a big country, one which does not bow to any power, and is trying to achieve our own style of progress and development. Of course we still do not enjoy the right to voice our opinion to a solid extent. This is because our economy is not sufficiently developed. Deng also said: We have never used our strength to bully the weak, and this has given reputation and status to the People's Republic of China. In the future when we have developed into a relatively developed country, we will still adhere to this line: No bullying of the weak but giving support to the weak, and standing uncowed in the face of the powerful. This will be one of the foreign policies of socialist China.

We Will Not Allow People To Suppress Reform With Improvement and Rectification

Deng Xiaoping made a point of mentioning the fact that earlier, some departments and localities had suppressed and negated reform and opening up with improvement and rectification. This is not correct. We have launched rectification to resolve problems that do not fit or help, but hamper the reform and opening up policy. Rectification is aimed at continuing and perfecting reform and opening up, and deepening and widening it. Deng said: The reform of the last decade has changed the situation where the economic system does not fit the development of social productive forces. But this is the first step in liberating productive forces; and this cannot be described as fast, for things have never been fast enough; nor can we say that this is excellent; the only thing we can say is that we have achieved some results.

The Key Lies in Reforming the Superstructure

Deng Xiaoping stressed: As reform evolves, the key becomes to reform all types of superstructure not helpful to socialist construction (here Deng Xiaoping again brought up the importance of political structural reform.) Now is the time to consider taking this step. Last year's disturbance delayed the progress of the reform. We can no longer afford the wait-and-see attitude. Time will not stop and let us wait and see. The duty given us by history does not allow us to hesitate. A

wait-and-see attitude and hesitation toward the trust of the people and the party's undertaking are a crime; because ours is a ruling party and a government procuring benefit for a population of one billion.

Deng Xiaoping also stressed: We must also admit that there are many problems in society mainly because there are problems in our party and government, whether in terms of organization, ideology, or work. Some problems are serious and obvious, and it is understandable that people will have opinions against these, and will be angry and start accusing or protesting. There is nothing to fear from this. For the last year or so, Comrade Jiang Zemin, together with a group of people under his leadership, has one by one worked out these problems. We cannot blame people under us, for the problems lie with those higher up. The people did not oppose the reform and opening up policy. This shows that the people trust and place their hopes in us. Why do we have to link the reform and opening up policy with current and existing problems? We have always talked about seeing both sides of anything. But once we run into problems we see only one side of it. We communists are materialists. How can we see only one side of a thing? All static, pessimistic, and metaphysical arguments are wrong.

Deng's Speech Is of Long-Term Guiding Significance

Beijing high levels say: After Deng Xiaoping talked with the Political Bureau Standing Committee members, the media changed obviously. Deng Xiaoping's present talk spells out the necessity and urgency of adhering to the reform and opening up policy. Deng mentioned that there must be reform in the superstructure which is obstructing reform and opening up. For the first time Deng criticized the practice of some conservative forces of negating the reform and opening up policy pleading rectification, saying that such practice deviates from the people and social development; and that it is idealist and views only one side of the picture. All these statements have long-term guiding significance.

Chen Xitong Inspects Guangdong Province 4-9 Nov

OW1111023190 Beijing XINHUA Domestic Service
in Chinese 0619 GMT 10 Nov 90

[By Cai Zhongzhi (5591 1813 2784)]

[Text] During his inspection of Guangdong Province, Chen Xitong, state councillor and mayor of Beijing Municipality, praised the outstanding changes achieved by the province during the 10 years of reform and opening to the outside world. He added that Guangdong accumulated rich experience in which Beijing can draw upon and emulate. The situation and experience of Guangdong shows that we can certainly build up the economy if we adhere to the four cardinal principles based on the center of economic development.

During his visit from 4 to 9 November, Chen Xitong inspected the Wanzai sea reclamation project, Sanzao airport, the Panzhangshan tunnel and the Hungwan

reclamation farmland in Zhuhai Special Economic Zone [SEZ]; the Rongsheng Refrigerator Plant, the Wanjiale Electricals Plant and the Xianhua Electric Fans Plant in Shunde County; the Huasheng Audio Equipment Plant, the Number One Radio Plant, the Foshan Synthetic Fiber Plant in Foshan City; and Shunde's Chenchun Plant Nursery. He also called on peasant households in Shunde County to gain an insight into their production and livelihood.

Chen Xitong held that in recent years the economy of Zhuhai SEZ rapidly expanded, its appearance tremendously changed, and its investment environment greatly improved. On the subject of urban planning, he said: The planning at Sanzao administrative zone is far-sighted; this sort of project is not only important to Zhuhai SEZ, but also a contribution to the state. He hoped that urban development in Zhuhai SEZ will learn from the experience of Beijing by avoiding some of its problems and shortcomings, and build Zhuhai into a modern coastal city having its own characteristics.

While inspecting Shunde and Foshan, Chen Xitong noticed that production and exports by enterprises here have risen sharply after undergoing economic readjustment, and everywhere is filled with life and vitality. He said: The fundamental reason why these enterprises achieved such remarkable results is that they freed themselves from old ideas, and upheld the policy of reform and opening to the outside world. Reform and opening to the outside world nurtured a large pool of talent who dared to blaze new trails. This is of great importance to future undertakings in modernization.

Ye Xuanping and Yu Fei, respectively governor and vice governor of Guangdong Province; Liang Guangda, mayor of Zhuhai City; and Ye Gu, secretary of Foshan City CPC Committee, accompanied Chen Xitong on separate occasions during his visit. Chen Xitong arrived in Guangzhou after his visit to Finland and Egypt.

Tian Jiyun Conducts Sichuan Inspection 7-12 Nov

*OW1411025290 Beijing XINHUA Domestic Service
in Chinese 1437 GMT 13 Nov 90*

[By reporter Huang Changlu (7806 2490 4389); Local Broadcast News Service]

[Text] Chengdu, 13 Nov (XINHUA)—Tian Jiyun, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, pointed out during his inspection tour in Sichuan: Practicing the output-related system of household contracted responsibilities will not obstruct building large-scale farmland and water conservancy capital construction projects. On the contrary, it greatly will arouse peasants' enthusiasm for building farmland and water conservancy capital construction projects.

From 7 November to 12 November, Vice Premier Tian Jiyun inspected the state-assisted central Sichuan Agricultural Development Zone and familiarized himself

with the practice and results of transforming intermediate-yield and low-yield land there. He was accompanied on the inspection tour by Yang Zhenhuai, minister of water resources; Chen Yaobang, vice minister of agriculture; Yang Rudai, secretary of the Sichuan Provincial CPC Committee; and Xie Shijie and Liu Changjie, vice governors of Sichuan. He also inspected the Renmin Canal expansion project of the Dujiangyan project which is the largest water conservancy project in Sichuan, and the Wudu diversion project which is known as the "second Dujiangyan."

In the Sichuan Basin in early winter, rice harvests have been gathered, but most winter crops have not yet been sown. The peasants are stepping up farmland and water conservancy capital construction and doing jobs for comprehensive agricultural development during this approximately one-month period of no crops. Wherever Tian Jiyun and his party went, they saw peasants digging ditches and laying drainage pipes to turn large areas of low lying land, which is prone to being waterlogged, into steady high-yield irrigated land in which excessive water can be drained. Generally speaking, land improved in the last two years can now increase an annual per-mu grain yield by 100-150 kilograms. It takes only 100-120 yuan (shared equally among the state, local government, and peasants) and about 20 man-days of labor to improve one mu of land. Vice Premier Tian Jiyun praised this as an inexpensive and yet effective project, while the peasants call it a "central project" and "benevolent deed of the communist party." It is reported that there are 68 million mu of intermediate-yield and low-yield land, accounting for 72 percent of the total area of cultivated land, in Sichuan Province. If the intermediate-yield and low-yield land gradually can be transformed, it will create a great potential for increasing agricultural production.

After the inspection, Vice Premier Tian Jiyun praised Sichuan Province for having done a solid, good job in comprehensive agricultural development and in farmland and water conservancy capital construction on a grand and spectacular scale. He said: In agricultural development, we should concentrate on production in depth—that is, to tap the potential of existing cultivated land. The stress of this job in Sichuan is to transform intermediate-yield and low-yield land. At the same time, we also should concentrate on production in breadth—that is, to develop new resources for agriculture. Neither of the above two jobs can be done without farmland and water conservancy capital construction. Vice Premier Tian Jiyun affirmed Sichuan's experience in comprehensive agricultural development and in farmland capital construction. According to the Sichuan experience, it is necessary to adhere to three principles: the principle of ensuring economic efficiency, the principle of considering the peasants' interests, and the principle of exchanging labor at equal value for mutual benefit. In policy, three things should remain unchanged: the output-related system of household contracted responsibilities, the ratio between what is delivered to the state and

what is retained, and state taxes. In work, it is necessary to ensure overall planning and designing, overall engineering arrangements, and unified management and service. If the above requirements are met, the vast number of peasants voluntarily and willingly will undertake farmland capital construction, and new vitality and vigor will be added to the output-related system of household contracted responsibilities.

Vice Premier Tian Jiyun emphasized: Agricultural development and farmland and water conservancy capital construction must be adapted to the local situation and done in consideration of local reality. In the southeastern part of Sichuan, which is different from the central and western parts of the province, the major problem is drought. We first should solve the water shortage problem. According to the terrains there, we mainly should build medium and small water conservancy projects, including reservoirs, ponds, dams, and water storages facilities. We should develop the mountainous regions there; build terraced fields; interplant grain crops with trees, fruit, and medicinal herbs; conserve water and soil; and make comprehensive developments.

During his discussion with Sichuan provincial leaders, Vice Premier Tian Jiyun said: Sichuan, with one-sixteenth of China's total cultivated land, is feeding one-tenth of the nation's total population. While the eastern part of the province was distressed this year by the worst droughts of the last several decades, the province as a whole still reaped an all-time high grain harvest. It also gathered good harvests of cotton, oil-bearing crops, sugar crops, and tobacco and achieved good results in pig breeding. This is very unusual, thanks to concerted efforts by cadres at all levels and the broad masses of the peasants in the province. To raise agricultural production to a new, higher level, the task, however, is quite arduous. We should not be content with the bumper agricultural harvests for just two or three consecutive years. The role of agriculture as the foundation of the national economy should not change, nor should the party's policy of attaching importance to agriculture, strengthening agriculture, and developing agriculture. We should not merely talk or write about the importance of agriculture. It is even more important for us to show that we indeed attach importance to agriculture in our plans and actions.

Democratic Party Stresses Political Participation

HK1511035190 Beijing RENMIN RIBAO in Chinese
10 Nov 90 p 3

[Report by staff reporter Yuan Jianda (5913 1696 6671): "Fifth Meeting of the Standing Committee of the 10th Central Committee of the China Peasants and Workers Democratic Party Suggests Bringing the Role of the Party Into Full Play in Political Participation"]

[Text] Beijing, 9 Nov (RENMIN RIBAO)—Today, the five-day fifth meeting of the Standing Committee of the 10th Central Committee of the China Peasants and Workers Democratic Party [CPWDP] concluded here.

The meeting called on all CPWDP organizations at various levels and the entire party rank and file to subject themselves to the leadership of the CPC, bring the role of the party into full play in political participation, and promote the work of rendering social services and expanding social association around the central task of economic construction. The meeting also pointed out that the party should make great efforts for its own building and strive to make marked progress in the political, ideological, and organizational aspects in the whole party in the next two to three years and raise the party's work in all fields to a new level.

The main purpose of the meeting was to deeply study and implement the CPC Central Committee's proposal on maintaining and improving the system of multiparty cooperation under the CPC's leadership and the political consultation system, study and implement the spirit of the national united front work conference, and formulate the work plan for the CPWDP in the present and future periods.

Lu Jiayi, vice chairman of the National Committee of the Chinese People's Political Consultative Conference and chairman of the CPWDP, left a message for the Standing Committee meeting before he left Beijing on business. He said: Stability is necessary. According to China's national conditions, developing socialist democracy through multiparty cooperation under the CPC's leadership is the only correct way. The democratic parties should play the role of a bridge between the public and the government. The opinions of the CPWDP should be expressed through certain channels in order that the party can really play a role in political participation.

The meeting decided that the Third Plenary Session of the 10th CPWDP Central Committee will be held next December. The meeting also adopted a document entitled "Opinion of the CPWDP Central Committee on Doing Several Things To Bring the Party's Role Into Play in Political Participation and Intensify the Efforts for Self-Building." Fang Rong, executive vice chairman of the CPWDP Central Committee, presided over the opening and concluding sessions of the meeting. Vice Chairmen Yao Jun, Zhang Shiming, Tian Guangtao, Yang Lieyu, Guang Renhong, Jian Tiancong, and Chen Haozhu also attended the meeting.

In-Depth Struggle Urged Against 'Six Vices'

HK0711132690 Beijing RENMIN RIBAO in Chinese
28 Oct 90 p 3

[Article by Yu Lei (0205 7191), Vice Minister of Public Security: "Carry Out Struggle Against 'Six Vices' Intensively in Coordination With Anti-Pornography Campaign"—excerpts of speech made at National Anti-Pornography Work Conference]

[Text] Last November, in accordance with the unified plan of the Ministry of Public Security, public security organs at all levels launched a concentrated, unified action against "six vices" throughout the country. Since the beginning of this year, they have again worked

persistently to wipe out "six vices" in conjunction with the struggle to crack down hard on criminal activities and scored great successes.

First, during the crackdown, in light of the flagrant criminal activities of "six vices" in their own localities, public security organs organized special struggles on different scales, concentrating on tackling glaring problems in key trades. Public security organs in Fujian and Zhejiang have carried out the work of "blocking up the source and intercepting the flow" of pornographic articles. On 26 June, a mass meeting attended by 10,000 people was held in Kunming, during which 520 kg of opium and 480 kg of heroin seized in the past two years were destroyed, and 14 people guilty of serious drug-trafficking were sentenced to death and executed. This evoked a strong reaction in Yunnan Province and was warmly supported by the masses.

Second, they stepped up investigation and cracking of cases, with the stress on cracking down on criminal gangs engaging in "six vices." Early last June, the public security organ in Guangxi's Hepu County tracked down a 56-member criminal gang specialized in abducting and selling baby boys.

Third, they conducted campaigns against "six vices" in conjunction with the regular work of managing public order. Through reorganization of registered household residence and census work, public security organs in various localities have discovered many clues and cracked a number of cases.

Fourth, they worked out policies and statutes on eliminating "six vices" so as to put the struggle against "six vices" on a regular and legal basis.

To consolidate the results of the anti-pornography campaign and further deepen the struggle, it is necessary to take this work as the focus of national public security work this year and next year, and continue to grasp this work firmly and satisfactorily.

1. In conjunction with the nationwide anti-pornography work, organize another special struggle against "six vices" to solve some outstanding issues in various localities.

2. To make a success of the struggle against pornography and "six vices" and enhance the effect of the crackdown, the Ministry of Public Security will coordinate with some provinces and regions in taking regional actions. It is hoped that party committees and governments at all levels will make specific plans in light of the practical conditions in their own localities.

3. Mobilize all social forces to take comprehensive measures to tackle the problems of "six vices."

4. Tighten the management of public order and step up precautionary work. While continuing the crackdown, we shall effectively tighten the management of public order in complicated public places, places of entertainment, and cultural markets to prevent the spread of

pornographic articles, and deal heavy blows at drug-trafficking criminal activities.

5. Firmly grasp the work of dealing with those implicated in cases of "six vices" and skillfully draw lines of demarcation in applying policies.

Minister Sees Restructuring of Literature Policy

HK0211130290 Beijing ZHONGGUO XINWEN SHE
in English 1159 GMT 2 Oct 90

["Next Year To See a Strengthening in Guiding China's Literary Circles Thinking"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, November 2 (CNS)—The restructuring of Chinese literary circles next year will see the application of a stronger stance, a shift away from politics and organization and a move towards guiding thinking with emphasis on far more in-depth, delicate and long-term development.

These remarks were made by the Acting Minister of Culture, He Jingzhi, at the Forum of Chinese Writers Association's Reporting Literature Workshop held in Beijing today.

According to He, after one year's efforts in implementing the Central government's policy of "restructuring on one hand while become more flourishing on the other", it is evident that there has been considerable success in literary circles, some, indeed, producing excellent works. Some prominent works, which were ignored during the period when bourgeois liberalization was strongest, are now being appraised.

There are still many problems, He pointed out. For instance, owing to the adverse and profound impact bourgeois liberalization had, much in-depth conceptual thinking was confused and had an unsettling and hampering effect on the literary groups.

According to the acting minister, the present circumstances of literary circles can be summed up by a saying which goes "good circumstances, still many problems, tough task but an optimistic future."

As for the major goal set for next year, He described four aspects: to work towards strengthening education in thinking; third, to boost literary writings and fourth, to strengthen solidarity.

Despite the importance of restructuring writing teams, the upgrading of the quality of literature should also be stressed, according to He. The future policy, therefore, should undergo certain corresponding changes in order to match changing conditions.

The acting minister said that the party's propaganda department and the Ministry of Culture are now drawing up new measures to protect writers. Although the leaders want to protect writers, this does not mean the ruling out of any possible criticism levelled against them. Those who had once committed mistakes need extra concern

shown towards them. He called on all writers to join hands in writing more to reflect life and the epoch in which they are living.

Song Ping Prefaces Handbook for Rural Secretaries

*OW1511113190 Beijing Domestic Service
in Mandarin 2230 GMT 13 Nov 90*

[From the "News and Press Review" program]

[Text] The first handbook exclusively for secretaries of rural party branches has been published by the Nongye Publishing House. Song Ping, member of the Political Bureau of the CPC Central Committee, inscribed the book title and wrote the book's preface.

Using a question-and-answer format, the handbook summarizes, in light of reform, opening up, and new subjects arising from party building in the countryside, 10 aspects of rural party branch work including a new approach to the work of rural party branches, party-people relations, and promotion of the spiritual civilization.

Demographers Make Proposals on Family Planning

*OW1211202290 Beijing XINHUA in English
1536 GMT 12 Nov 90*

[Text] Beijing, November 12 (XINHUA)—Chinese demographers suggest strengthening family planning efforts and publicity of family planning policies to ensure effective implementation of related programs.

China will reach its third baby boom in the 1990s. Statistics reveal that during the Eighth Five-Year Plan (1991-1995) there will be 121 million women at the child-bearing age—between 20 to 29 years old. This will represent an increase of 16.4 percent over that during the Seventh Five-Year Plan. The number of women who will have reached the optimum child-bearing age of 23 years old will be 12.73 million, an increase of 5.4 percent over that of the Seventh Five-Year Plan.

Demographers predict that the fourth baby boom will take place in the next 20 to 30 years, and will prevent China from achieving its birth control target unless population is controlled during the third baby boom.

They say that policies should be more authoritative and forceful. The people should be made to realize that control of population benefits both the country and themselves. They suggest the formulation of a law of family planning at an earlier date.

The demographers further suggest that adjustments should be made to some policies, while others need to be perfected. Special attention should be given to the implementation of policies, and the elimination of negative factors in some policies which hinder the control of population growth, such as equalization in the distribution of the means of production and livelihood, and social relief funds in rural areas.

According to them, more efforts should be directed towards education, and raising the cultural level of peasants in particular. While implementing the nine-year compulsory education program nationwide, population and family planning should be listed as subjects in schools to nurture children's consciousness about population.

Nationality Policy Seminar Held in Guangxi

*HK1411041790 Beijing XINHUA Domestic Service
in Chinese 0616 GMT 13 Nov 90*

[Report by Zheng Qingdong (6774 1987 2639): "Experts Point Out the Need To Strengthen the Study of Nationality Policies in History To Serve the Present"—XINHUA headline]

[Text] Nanning, 13 Nov (XINHUA)—Experts and academics pointed out several days ago that in history China had rich experiences in resolving nationality issues. There is a need to study nationality policies in different dynasties and historical periods and to assimilate the essential elements so as to facilitate the formulation of the present nationality policy and promote the smooth development of China's nationality work.

Some 60 experts and academics from 15 provinces, autonomous regions, and municipalities gathered in Guilin, Guangxi from 6 to 10 November to attend the third seminar on the history of Chinese nationalities. They carried out wide-ranging explorations and discussions on nationality policies in history. By combining history with the present situation, they expounded the development pattern of nationality policies in China's different historical periods, so that more reference material is available when handling today's nationality issues.

These experts said that the study of nationality policies in China's different historical periods has both academic value and practical significance. Nationality policies in history are fundamentally different from China's present nationality policy, but they are also related to each other and have the same pattern. The role and significance of these nationality policies should not be underestimated; instead they should be taken into serious account and studied profoundly and meticulously. The state and minority nationality regions should also improve their understanding of the importance of studying nationality policies in different historical periods, so as to assimilate the essential elements for the formulation of practical principles and policies that comply with the rules governing nationality work, to reduce or prevent faults in this work, and to promote solidarity and economic development among different Chinese nationalities.

The participants pointed out that when studying previous nationality policies, it is necessary to use historical materialism as guidance and to pay attention to the class and historical natures of these policies as well as to their practicality. Specific problems should be analyzed specifically. On the basis of preserving the motherland's unity and opposing nationality separation, we should

make our study conducive to the progress and development of all Chinese nationalities, to promoting their economic and cultural exchanges, to maintaining the country's stability and unity, and to maintaining social prosperity and progress.

During the seminar, which was jointly sponsored by the China Society for Nationality History and the Nationality Research Department of the Guangxi Institute of Social Sciences, over 60 theses were read.

It has been disclosed that the seminar will submit a report on nationality policies to the relevant state department to be used as reference material for the formulation of the present nationality policy.

CPC's Tighter Control Over Minorities Noted

*HK1511081190 Hong Kong TANGTAI in Chinese
No 50, 10 Nov 90 p 22*

[Article by Chi Ta (1323 6671): "The CPC's New Moves To Tighten Control Over Minority Nationalities and Unify Operation of the Press"]

[Text] The CPC recently carried out a comprehensive review of the minority nationality work in the past few years. A major conclusion reached in this work review was that the management over religion was ineffective, so that some ethnic separatists could carry out counter-revolutionary activities of opposing the CPC, opposing socialism, and splitting the motherland under the guise of religion. A prominent characteristic of the counterrevolutionary armed revolts in Tibet and Xinjiang was that the counterrevolutionary rioters flaunted the banner of religion to deceive and coerce the masses who were unaware of the true facts into rioting. Therefore, the CPC decided to strengthen propaganda through the party organs and tighten control over the religious activities of the masses to more effectively control the areas inhabited by minority nationalities.

Report Subjects Are All Decided by Editors in Chief of the Party Organs

In late August, a meeting attended by editors in chief of the party organs in the five autonomous regions, namely, Xinjiang, Tibet, Inner Mongolia, Ningxia, and Guangxi, was held in Lhasa. The meeting was held in the name of discussing the reform of journalistic work and exchanging experience in running newspapers in the minority nationality regions, but in fact it was mainly aimed at criticizing the errors in the work of the party organs in the nationality autonomous regions and reaffirming the principle that the party organs in the autonomous regions must function as the party's mouthpieces in these areas.

A few years ago, the party organs in the minority nationality autonomous regions were rather colorful and gave more coverage to the special traditional and religious activities of the minority nationalities and their

production and trade conditions. Sometimes, the newspapers even emphasized the need to respect the feelings of the minority nationalities and support their freedom of religious belief while giving less prominence to the CPC's leadership over the minority nationalities and the CPC's great contributions to the autonomous regions. After revolts broke out in Tibet and Xinjiang, to prevent further trouble among the minority nationalities, the party organs in the five autonomous regions were ordered to publish articles and reports about "strengthening nationality unity and preventing nationality splitting." Then, reports about the daily activities of the common people of the minority nationalities could hardly be found in the newspapers. Many minority nationality cadres in those localities were strongly resentful; and the feelings of the common people of minority nationalities became even more vehement. They thought that Han people now completely disregarded their existence after occupying their land. Since the beginning of this year, the party organs in the minority nationality regions have become more unpopular. Aside from the official institutions which are required to subscribe to the newspapers, there are now few subscribers among the common people.

Interests of Minority Nationalities Are Neglected

The meeting of the party organ editors in chief from the five autonomous regions concentrated on exchanging their experience in running newspapers in the areas inhabited by minority nationalities. A major question they discussed was how to keep a sense of propriety to avoid offending the religious feelings of various minority nationalities. Tian Congming and Danzim, both deputy secretaries of the Tibetan Regional CPC Committee, attended the meeting, and Li Weilun, director of the Propaganda Department of the Tibetan Regional CPC Committee, gave a speech on the importance of properly running the party organ in Tibet. The meeting participants held that the party organs in the autonomous regions should continue to adhere firmly to the party spirit principle and show a clear-cut attitude in giving publicity to the party's line, principles, and policies, the achievements of reform, and the great victory of the party's policy on autonomy in the minority nationality regions and be done under the long-term premise of ensuring the stability of the nationality areas and safeguarding the motherland's unity.

The fact that the party organs in the five autonomous regions unified their propaganda standards indicates that the CPC still places its party interests in the primary position in the minority nationality areas and neglects the interests and demands of the minority nationalities.

A Large Number of Mosques in Xinjiang Were Closed

To control the religious activities of the people in the minority nationality regions, the CPC has begun the across-the-board rectification of the mass religious activities in the five autonomous regions. The main theme in the religious rectification is to implement the measures for "bringing

religious activities into line with the legal system." The clergy have to pass certain examinations and obtain certificates in order to perform their religious duties. CPC members of minority nationalities are required to give up their religious belief. Some temples and mosques have been banned in the rectification campaign.

In Baren Township of Aksu County, Xinjiang, Moslems staged an armed revolt last April, and the CPC authorities have dealt severe blows at the religious activities in that area. Up to 2 August, 108 religious figures in that township were screened and only a small number of "ahungs" (mosque masters) obtained certificates to perform their religious duties. Almost all followers of religion were organized by the government to receive re-education, and were warned by the local public security authorities. The local governments promulgated such rules and regulations as the "Rules on Managing Places of Religious Activities in the Autonomous Region" and the "Rules on Managing Religious Activities in Baren Township." They imposed strict restrictions on the religious activities of the local people. Each Moslem leader had to write a letter of guarantee to the government, pledging that he would never interfere in political, legal, marriage, and governmental affairs henceforth; otherwise, he would be treated as a lawbreaker. On 6 August, all koranic schools and study centers were closed and banned in that township. All projects of building or rebuilding mosques were also suspended. Ninety percent of CPC members were forced to give up their religious belief; and local Moslems were not allowed to donate food and money to the mosques.

Followers of Religion Found No Place for Prayer

Because the CPC authorities closed down a large number of mosques in Xinjiang, Moslems in some localities now find no place for prayer. Not long ago, Moslems in Bashi Village, Pilali Township, Aksu County, pooled money to build a new mosque because there were inadequate mosques in that area, but they were heavily punished by the local authorities. The leading members of the clergy were detained for "self-reproaching," and the funds for building the mosque were completely confiscated.

Such highhanded practices by the CPC authorities may bring the situation under control on the surface for a short period to come, but in the long run, as this practice severely hurts relations between Han people and minority nationalities, it will undoubtedly become a terrible bane of China's territorial integrity.

Meeting on Socialist Culture Held in Hubei

*HK1111025690 Wuhan Hubei Provincial Service
in Mandarin 1000 GMT 7 Nov 90*

[Excerpt] A national meeting on the work to build socialist culture and ethics jointly called by the CPC Propaganda Department and the State Council General Office opened in Shashi City today.

The meeting is to summarize and exchange experiences in the mass movement to promote cultural and ideological progress in the period since the Sanming City's experience was spread throughout the country in 1984, focusing on how to raise the people's ideological and moral level and how to continue the work by attracting large numbers of people to take part in the activities to educate them.

Present at the opening session were Wang Renzhi, head of the CPC Propaganda Department; Xu Weicheng, executive deputy head of the department; (Xu Zhijian), deputy secretary general of the State Council General Office; Guan Guangfu, secretary of Hubei Provincial Party Committee; and other 300 representatives from various provinces, cities, and autonomous regions. Some comrades from this province's prefectures, cities, and autonomous regions and from departments directly under the provincial party committee and government also attended the meeting.

The meeting was presided over by Comrade Wang Renzhi. He said: The work of building socialist spiritual civilization, after going through a winding course, has shown a turn for the better. When the whole country is vigorously spreading the spirit of the Beijing Asian Games, it is of great importance for us to discuss ways to promote cultural and ideological progress. On balance, we have constantly made progress and deepened the campaign to build China's spiritual civilization. The socialist spiritual civilization, which represents an essential characteristic of socialism and gives an important expression to the superiority of the socialist system, has shown its irreplaceable role and has breathed a new life into China's socialist construction and the people's cause. Although we are still faced with many difficulties and formidable challenges, we have laid a sound foundation and created an upward momentum. We should be confident of the prospects for the building of socialist spiritual civilization. We should understand and approach the building of socialist spiritual civilization from the high plane of its being an objective law and essential characteristic of socialism and pay adequate attention to it. We should, under the guidance of the party's basic line of "one center, two basic points" and through strenuous and fruitful efforts by various sectors, embody our endeavor to build spiritual civilization, including our efforts to raise ideological, moral, educational, scientific, and cultural level, in all aspects of our economic, political, and social life. The building of socialist spiritual civilization is a colossal systematic project. This calls for common efforts by all sectors. Comrades working in the fields of propaganda, the press, education, theoretical studies, literature and art, science and technology must directly join in a common effort. We should divide work among them with the view of bringing their advantages into full play so that we can properly do all kinds of practical work concerning the building of socialist spiritual civilization.

Guan Guangfu, secretary of Hubei Provincial CPC Committee, also made a speech at the meeting. He first extended

warm greetings to the meeting and a warm welcome to meeting participants on behalf of the provincial party committee and government. Then he briefed the meeting on the work of building spiritual civilization in Hebei. He said: Over the last few years, the province, while focusing on economic development, has kept a tight grip on the work of building socialist spiritual civilization and achieved certain results. As far as the mass movement to build socialist spiritual civilization throughout the province is concerned, we have gone through the initial stage in which we took the movement of "five stresses, four points of beauty, and three loves" and the "civilized and courteous month" movement as the principal forms and the campaign to check "three unhealthy tendencies" as a point of breakthrough; the second stage, a polarization stage, which was characterized by creating civilized units; and the third stage, an improvement stage, in which we directed our main efforts to training new citizens with lofty ideals, high morality, culture, and a sense of discipline, raising the people's quality, and putting the society in order in a comprehensive way. Since the Fourth Session of the 13th CPC Central Committee held last year, by launching a educational campaign of upholding the four cardinal principles and against bourgeois liberalization, carrying out education on the "two basic points," and cracking down on pornography and the "six evils," we succeeded in deepening the movement to build spiritual civilization and enriching its contents. Since we kept tabs on building spiritual civilization, there has been a profound change in the people's mental attitude; a great change in the environment of large and medium-sized cities; science, education, culture, public health, and physical culture have further developed; the work of building a legal system and improving public security has scored remarkable successes; and social order has turned for the better. The building of socialist spiritual civilization has played an active role in promoting sustained growth of the province's national economy.

Guan Guangfu made an account of the province's principal measures to promote cultural and ideological progress. 1) Constantly raise consciousness, pay equal attention to building material and spiritual civilizations, and make sure the work posts are properly arranged, competent leadership lineups are organized, every cadre shoulders responsibility, and concerted efforts are made toward comprehensive rectification. 2) Formulate and act out an overall plan which conforms to reality and strive to do the work in a more systematic and scientific way. 3) Improve the people's quality, increase faith in socialism. 4) Do a good job in improving the environment and developing infrastructures to create material conditions for building socialist culture and ethics. 5) Arouse the broad masses to action through all kinds of activities so every one will have a task to perform in building spiritual civilization.

Xu Weicheng, executive deputy head of the CPC Propaganda Department, gave a report on pushing forward the campaign to build spiritual civilization by encouraging the broad masses to take part in related activities.

The report included four parts: 1) Review work done in the last six years; 2) place stress on the work of raising ideological and moral level; 3) meticulously organize mass movements; and 4) take effective measures to strengthen leadership.

When talking about the achievements of and experience in the campaign to build spiritual civilization in the period following the 1984 Sanming (Fujian) Conference, Xu Weicheng said: There are four points we should affirm and carry forward: First, the "campaign to achieve best results in three respects" has developed intensively and the backwardness featuring dirtiness, disorder, and poor efficiency has changed for the better in varying degrees; second, a large number of culturally advanced units and families have emerged, gradually and effectively increasing the favorable impact of spiritual civilization; third, public opinion in favor of anything correct and against anything evil has strengthened after we encouraged the masses to learn from advanced elements and support newly emerging things; and four, the effort to enlarge civilized position has been crowned with success and the mass cultural, scientific, and technological activities have become more active.

Xu Weicheng added: Taking the main problems with our work over the last few years and the practical requirements under the present situation, we must make the work of raising ideological and moral level stand out regarding it as an important task of the future deepened mass movement. At present the specific requirements of raising ideological and moral level are: Carry forward patriotism; increase faith in socialism; cultivate collectivism; encourage love for labor; value scientific spirit; foster the idea of serving the people; and increase the awareness to observe the law and discipline.

When talking about meticulously organizing mass movements, Xu Weicheng stressed: We should direct main efforts to the following things in future: One, we should do a good job in organizing mass movements so that we can educate the masses by attracting them to take part in the movements to build spiritual civilization; two, we should try our best to create a public opinion in favor of what is correct and against what it not; third, we should provide more facilities to consolidate and expand the socialist ideological and cultural position; four, we should educate grass-roots units to build civilized units on their own or through common efforts.

Xu Weicheng called on party committees and governments at all levels to truly strengthen leadership over the work of building spiritual civilization; uphold the principle of promoting material and spiritual progress simultaneously; provide better overall guidance by working out a sound plan; formulate rules and regulations to strengthen management step by step; establish an authoritative leading body to coordinate various organizations, and necessary working bodies; stabilize and

strengthen the contingent of workers responsible for the spiritual civilization work. Party committees and governments should provide better guidance for and coordinate various departments and sectors so that every department and sector will join the effort to build spiritual civilization.

Xu Weicheng concluded his speech by saying: We believe under the leadership of party committees and governments at all levels, and with the support and cooperation given by various departments, various organizations, and various sectors in society, the national mass campaign to build socialist spiritual civilization will expand further and scale a new height. [passage omitted]

Military

JIEFANGJUN BAO on Reserve Training

Experience Recommended

HK0911130190 Beijing JIEFANGJUN BAO in Chinese
29 Oct 90 p 1

[Report by Liu Yushu (0491 3768 2579) and Huang Dian (7806 0368): "Nanjing Military Region Popularizes a Reserve Service Division's Training Experience"]

[Text] It was the golden season of autumn. Amid eastern Anhui's mountains, guns and cannons suddenly went off, attack planes and bombers launched a fierce raid on enemy positions, and rocket launchers [huo jian bao po qi 3499 4628 3615 4275 0892] threw out fire continuously. In the smoke of gunpowder, two infantry detachments, supported by the air force and guided by tanks, stormed the enemy's positions. This was the scene of a practice with live ammunition held by a reserve division in east China on the afternoon of 5 October.

This attack exercise by reinforced regiments, which combined infantry, tanks, artillery, telecommunications units, engineer units, antichemical troops, and air support was conducted for a Nanjing Military Region sponsored on-the-spot experience exchange meeting of reserve units. Having watched this military exercise, the Army and local government leaders highly appreciated this "well trained" reserve unit's performance.

A fine sword can be kept sharp only if it is constantly well maintained. Zhong Xiuming, deputy commander of the reserve division, told this reporter: to enhance the division's rapid operation and combat abilities, this division's leading people and departments have been adhering to the fighting capability criterion and devoting great efforts to training, with the emphasis placed on training for military officers and professional technical arms. In view of the fact that reserve cadres ordinarily work separately in their own nonmilitary posts, this division has tried to enhance its officers' military quality through intensive training, correspondence courses, tactical maneuvers, and so on. In the past few years, the division organized 19 terms of training courses for unit and detachment cadres, offering training to a total of 586 cadres;

assigned 12 exercises by mail; and conducted a few indoor drills and outdoor practices with live ammunition for leading officers and units at both division and regiment levels. In the past few years, the division has also invited local PLA units to assist in training artillery, antichemical, engineer, and signal units, and other technical detachments; such training programs have turned out a large number of competent technical cadres. At the same time, this division has also paid a lot of attention to combined operation training for (quasi-organic) [cheng jian zhi 2052 1696 0455] units. Since members of reserve forces work in different nonmilitary posts, they have to undergo training and improve their rapid operation ability by undertaking emergency tasks. Apart from this, every regiment under the division also assigns a combat battalion to undergo (quasi-organic) unit training each year. So far, dozens of the division's combat companies have already fulfilled some 30-45 days of (quasi-organic) unit training, and over 95 percent of the several thousand people who had undergone training fulfilled the training requirements. Now the division is capable of assembling, marching, and engaging in battle within a time limit after an order is issued.

Commentator's Article on Training

HK0911131590 Beijing JIEFANGJUN BAO in Chinese
29 Oct 90 p 1

[Commentator's article: "An Important Task of Reserve Troop Building"]

[Text] Since their founding, the reserve forces, which are called a new arm of national defense, have gradually brought their capital construction and other works onto the right track, with the support of the military commission, PLA headquarters, and local party and government leading organs. Gratifying progress has been achieved.

The establishment of the reserve service is a need of modern defense in the new period. This new force, formed by a small number of servicemen as its backbone and a larger number of reserve officers and soldiers as its main body, can be mobilized quickly and plunge into battle to repulse invaders when a war breaks out. In peacetime, it can assist public security organs in safeguarding social order, undertake emergency tasks regarding economic construction, and play a part in the motherland's defense and construction. Our reserve units must hold to the fighting capability criterion, improve themselves in all aspects, and try to enhance their overall quality. At present, while continuing to pay attention to implementing instructions, enhancing political integrity, and improving facilities, they must shift their focus onto military training in good time.

The reserve service is a force officially listed under the Army's establishment. Its nature, duties, and functions within and without the Army have determined that the development of reserve units must be focused on enhancing their fighting capability. A unit mainly enhances its fighting capability through actual combat in wartime and through military training in peacetime. Some people say that reserve units need no regular

training. This view is wrong, because our reserve units, like regular army units, must keep a sense of mission and be ready to carry out military missions at any time. Comrades working with reserve units should be strict and serious with military training.

To do a good job in the training of reserve units, we must uphold the principles of high standards and strict requirements as well. Training items assigned by Army headquarters must be completed to the letter, both in terms of the number of people undergoing training and the duration of training. It is necessary to take the training of divisional (regimental) leading officers and organs and of other officers at all levels as the key link, with a view to enhancing their military quality and commanding ability. It is also necessary to set great store in the training of backbone elements of combat detachments and the training of technical troops as well, so as to ensure that they can skillfully operate their weapons and equipment. While strengthening basic and combined operation training, we should also appropriately organize testing exercises on varying scales step by step, in a planned way, and in light of the circumstances. It is necessary to ensure supporting services for training: step up the construction of training bases' support facilities; ensure the supply of weapons and equipment in terms of quantity, variety, and quality; and see that the funds earmarked for reserve service will be spent mainly on military training. By and large, it is necessary to unremittingly upgrade training standards and enhance the reserve forces' overall fighting capability.

In peacetime, reserve members are civilians, and most military officers of the reserve force at all levels are local civilian cadres. They work in different departments on various fronts. Such circumstances determine that the reserve force's military training is a complicated and difficult task. When deciding on the forms and methods of training, we must first consider the actual conditions of various localities. We hope that our reserve units will further work out, through practical training, some effective and good methods that conform with their own conditions.

Armed Forces Training Teams See Positive Results

*HK1311091790 Beijing XINHUA Domestic Service
in Chinese 0556 GMT 12 Nov 90*

[Report by Wang Zhiyun (3769 1807 5089) and Tan Daobo (6223 6670 0590): "The Chinese Armed Forces Achieve Marked Results in Restoring and Establishing Training Teams"—XINHUA headline]

[Text] Jinan, 12 Nov (XINHUA)—These two reporters learned from the Armed Forces training work meeting that the People's Liberation Army [PLA] has achieved marked results in restoring and establishing training teams. Now all kinds of training teams have been set up to train squad leaders. A large number of good squad leaders who have undergone training in these teams are now performing their duties in different Armed Forces units, thus improving the formation of grass-roots units.

Earlier a major reform was introduced requiring PLA cadres to be given training in military academies before they are promoted. Subsequent to this reform, the PLA, responding to the relevant decision of the Central Military Commission, restored the activities of training teams in army, divisional, brigade, and regimental units in August last year. These teams are responsible for training squad leaders. This is an important measure to implement the program on grass-roots military build-ups and to regularize PLA training. Cadets in these teams are selected from among good soldiers, and the principle of "directional recruitment, directional training, and directional distribution" is applied. In other words, after graduation a cadet will be sent back to his original unit according to his original profession. The training teams follow military orders and regulations in providing training, and combine classroom teaching with practical training so as to lay a solid foundation for their cadets' political, ideological, and physical quality as well as for their military skills and discipline. Graduates basically acquire the ability to command a war, to organize training, and to exercise management over soldiers.

A responsible comrade from the relevant department of the General Staff Headquarters said that the ability of squad-leader-elects to conduct teaching, to organize soldiers, and to exercise command has improved markedly after being trained in these teams. They will be effective assistants to company commanders and platoon leaders. Surveys on different arms and services in the Beijing, Shenyang, Jinan, Guangzhou, Nanjing, Lanzhou, and Chengdu Military Regions suggest that squads headed by well-trained soldiers from training teams can strictly follow orders, regulations, and discipline. Their military and political quality has improved markedly.

These training teams also provide human resources for junior military commanders. In accordance with the relevant regulations, PLA units may select fine cadets from among the squad leaders who have undergone strict training in these teams for delivery to military academies. This will be conducive to training good quality officers and to forming a virtuous cycle in personnel training. In this way the organizational construction of PLA units will be strengthened.

The Armed Forces training work meeting was held from 7 to 12 November by an army group stationed in Jiaodong. Among present at the meeting was Chief of Staff Chi Haotian.

Commentator Stresses Importance of Uniting People

*HK0911081390 Beijing JIEFANGJUN BAO in Chinese
27 Oct 90 p 1*

[Commentator's article: "Uniting People Is Also a Skill"]

[Text] To judge whether a man has great ability or not, most importantly we must see if he has the ability to unite people or not. As far as a newly readjusted leading body is concerned, it is particularly necessary to stress this point.

Unity is our glorious tradition and the lifeblood of the building of leading bodies. A man who has great devotion to his work and sound accomplishments in party spirit must be one who can unite people. This being the case, uniting people is, in the first place, a matter of consciousness. Moreover, it is also a form of ability. For example, how should the contradictions cropping up within a leading body be handled? Some comrades either evade them, leaving them to pile up accumulatively, or handle them in summary fashion, thus intensifying them, while others are able to squarely face them and good at resolving them and turning the process of handling contradictions into one of achieving greater unity. Again, for example, how should sarcastic remarks harmful to the unity of a leading body be approached? Some people can soberly analyze and discriminate among them, but others easily believe gossip the moment they hear it and are thus swayed by liberalistic things. Such issues as these are enough to show the soundness of one's political awareness, art in doing work, and ability to analyze and solve problems. We often say that cadres should have both ability and political integrity. Therefore, it must be said that uniting people is a form of both political integrity and ability.

Mastering the art of uniting people and enhancing the ability to unite people are of vital importance to leading cadres. A man's ability must be many-sided. Of all his abilities, uniting people is an indispensable basic skill, which can not only check the functioning of other abilities, but also has a bearing on the improvement of his comprehensive ability. If one is able to unite people, one will become more able in many aspects in which one was formerly less able. If one considers oneself always in the right and cannot cooperate and work together with others, one will become incapable, however resourceful one is. In our history, Liu Bang claimed that he was inferior to others in polite letters and martial arts as well as in logistical matters. In short, he was not a highly capable person. Nevertheless, he could unite people and finally he united the country and ascended the throne. However, though Xiang Yu, described as a man "who is so powerful as to remove mountains and his heroic mettle dominates the nation," had great abilities in other aspects, he could not unite people and finally he was opposed by the masses and deserted by his followers and ended as depicted in the Tragedy of Xiang Yu, the Conqueror Bidding Farewell to Yu Ji. This lesson can be found often in past events and is also a common occurrence in our own lives.

This holds true for both a leading cadre and a leading body. Members of a leading body have their own abilities. If they can unite people, this will help form a minor environment conducive to bringing their initiative and creativity into play and where they can display their talents, with each becoming a useful supplement to the other. The resultant forces formed by making up each other's deficiencies and supplementing each other is an integral combat force which has doubled and redoubled in growth rather than a simple sum of individual forces.

Conversely, if members of a leading body cannot tolerate each other and are always at odds with each other, it will not be possible to bring their abilities into play or they will be consumed by internal disputes, thus counteracting each other. This is the reason some leading bodies whose members are not so capable have managed to become strong or tough, and other leading bodies whose members are highly capable have become weak or soft.

Mastering and improving the ability to unite people needs efforts from different sectors. Therefore, it is necessary to correctly handle the relationship between the collective leadership of the party committee and division of labor among leading cadres with individual responsibility; necessary to have a correct approach toward one's own and others' experiences and strong points and strive to learn from others' strong points to offset one's weaknesses; necessary to frequently "exchange information" so as to achieve more common language; necessary to establish sound comradely friendship and cherish comradely love in addition to a coordinated working relationship; and with regard to the question of employing people, it is necessary to adopt the method of using people from many sectors instead of a particular one and firmly smash the "small groups" hindering unity. Of course, what is most fundamental is that members of every party committee should willingly strengthen training in party spirit, improve their ideological and political quality, and strive to "widen their fields of vision and be broad-minded" and be tolerant toward things and people. With this in mind, one already has the preconditions for acquiring the ability to unite people.

Economic & Agricultural

Results of CPC Economic Decision Shown

OW1511061290 Beijing XINHUA Domestic Service
in Chinese 0824 GMT 13 Nov 90

[By reporter Xu Yaozhong (1776 5069 0022)]

[Text] Beijing, 13 (XINHUA)—On 9 November 1989, the CPC Central Committee made the "Decision on Further Improving the Economic Environment, Rectifying the Economic Order, and Deepening the Reform." According to comprehensive information from various localities and departments, our country's economy has achieved marked results in the past year in implementing this decision of the party Central Committee. Many localities and departments have overcome their difficulties. Some are in the process of extricating themselves from difficulties while others are taking a favorable turn. The overall situation shows that the general trend of our country's economy is developing in a heartening direction. These tremendous changes all over China eloquently show that the party Central Committee's "policy on improving the economic environment, rectifying the economic order, and deepening the reform to fundamentally overcome the present economic difficulties and realize a sustained, stable, and coordinated development of the national economy" is absolutely correct.

Looking back over the past year, the greatest change that has affected our country's economy as a result of improving the economic environment and rectifying the economic order is "the elimination of over expansion." Soaring commodity prices have been checked, and inflation has been brought under control. Before improving the economic environment and rectifying the economic order, the most talked about or the most worrisome phenomenon was inflation. This year, people are seeing in the markets bountiful supply of commodities and relatively stable retail prices. In the first 10 months, the rate of increase of commodity prices has been only four percent. According to estimates of an authoritative department, the rate of increase of retail prices this year can be maintained within the projected seven percent. This is not only considerably lower than the rate of increase of the previous year but is also lower than the goal set for this year. This will make 1990 the lowest year for commodity price increases since 1985.

The other outstanding achievement made by improving the economic environment and rectifying the economic order is the "cooling down of the overheated economy." The excessively high rate of industrial development, the excessively large scale of construction, and the overheated consumption have been reduced. At the beginning of this year, owing to stringent control of total demand, industrial production decreased for a while. With timely adjustment of state control, industrial production has gradually started to pick up since the second quarter. From January through October, the total value of industrial production nationwide reached 1,571.6 billion yuan, an increase of 4.1 percent over the same period last year. It will possibly reach 6 percent for the whole year, and our hopes for a slow, steady growth will be realized. Expansion in the scale of fixed assets investment was a severe and lingering problem in our country's economy prior to improving the economic environment and rectifying the economic order. Since this year, with tight control over the total volume of capital construction, conscientiously grasping the work of putting in order the projects under construction, and limiting the scale of investment, the situation in the first 10 months shows that total scale of investment has been put under control and a more appropriate rate of development of our country's construction projects has been ensured. As regards excessive consumption, it has not only been reduced but has also slowed down. To tackle the new situation of market sluggishness, the party and government have carried out proper readjustment of policy, thereby bringing about signs of recovery and prosperity in the market since June. In general, we can say that the contradiction of demand and supply imbalance in society is gradually being alleviated. An economist has commented: "Improving the economic environment and rectifying the economic order is like a remedy to stay sober-minded. It has slowed down the over-accelerated industry, stopped the wild fever in building capital construction projects, and cooled down overheated consumption."

The third achievement brought about by improving the economic environment and rectifying the economic order is a good start in the work to readjust the economic structure.

It has revamped the economy to ensure stable, coordinated, and healthy development. Prior to improving the economic environment and rectifying the economic order, the growth rate of industrial production was six times faster than that of agricultural production. In the course of improving and rectifying the economy coupled with the cooling down of industry, agriculture has been reinforced. Last year, the ratio between industrial and agricultural growth rates was reduced to 2.5:1. Since the beginning of this year, the central authorities and various localities have continuously increased investment in agriculture and strengthened leadership over agriculture. As a result, acreage of grain crops as well as fine strain crops has been expanded, agricultural science and technology achievements have been extensively applied, and there have been bumper harvests of summer grain and early rice. A new record in grain production is expected this year. While the proportion of industry and agriculture is being readjusted, the internal structure of industrial production is also being rationalized. Basic industries, including those for the development of energy resources and raw materials, which have restricted national economic development over a long period of time, have grown steadily. The volume of freight transported via rail, roads, and waterways and the number of civil aviation flights have increased. This has led to a relaxation of the tight situation in the supply of raw materials as well as in communications and transportation. Furthermore, while the scale of investment in fixed assets has been brought under control, the investment structure has also undergone readjustment. Investment in production as well as investment in energy resources, communications, and raw and processed materials industries have all increased more rapidly, and their proportion of total investment has also increased. What is particularly gratifying is the smooth progress of key state construction projects which have witnessed an encouraging phenomenon of rapid progress in construction and installation. A large number of projects has been completed and put into operation ahead of schedule.

Improving the economic environment and rectifying the economic order has straightened up the disorder, thus bringing about a new look in the originally confused condition of the economic sector. In the course of improving the economic environment and rectifying the economic order, various localities and departments have first of all grasped the work of putting various companies in order; dissolved and merged a number of companies, which accounted for one-third of the total number of companies nationwide; seriously handled a number of cases which violated laws and discipline; and meted out punishment to a group of law offenders. At the same time, they have carried out the task of clearing the "triangular debts" and have taken the necessary measures to deal with the problem of regional blockade. The transportation order in departments, including railways and roads, has also markedly improved. Units involved in illegal operations and the number of offenders have now been reduced. The phenomena of wanton price increases, collecting fees, and reselling for profit have vanished, and a new orderly circulation system is being established.

Departments concerned are convinced that the achievements made by our country in implementing the CPC Central Committee "Decision on Further Improving the Economic Environment, Rectifying the Economic Order, and Deepening the Reform" should be fully affirmed. We must see, however, that the economic problems that have accumulated over the years and the contradictions that are newly surfacing are being interlocked; various problems are still quite numerous; and many deep-rooted problems have yet to be solved. The tasks of improving the economic environment and rectifying the economic order are still quite heavy and strenuous. Nevertheless, as long as the entire party and people of all nationalities throughout the country respond to the call embodied in the CPC Central Committee decision and "closely rally around the party Central Committee, heighten our spirit, work hard with concerted efforts, and struggle in unity, we will certainly surmount the temporary difficulties facing us at present and seize new and even greater victories."

State Council Urges Fulfilling 1990 Budget

HK1211011890 Beijing XINHUA Domestic Service
in Chinese 0005 GMT 10 Nov 90

["State Council Requires Guaranteeing Fulfillment of 1990 Budget by Increasing Revenue and Practicing Economy"—XINHUA headline]

[Text] Beijing, 10 Nov (XINHUA)—The State Council recently issued a circular calling for greater efforts to increase revenue, reduce expenditure, and ensure the fulfillment of this year's state budget.

The State Council's circular pointed out: Since the beginning of this year, all localities and departments have been conscientiously implementing the principle of improving the economic environment, rectifying the economic order, and deepening the reform; and the economic situation has been developing along the right track. As a result of drawbacks regarding the production and market, however, the economic returns have decreased on the part of the enterprise and the financial situation is not good enough. The growth in regular incomes has been slow, while expenses have been increasing very rapidly, thus resulting in a constantly widening gap between financial revenue and expenditure. At the same time, some localities and departments have been faced with malpractices in violation of financial laws and regulations, such as arbitrarily reducing or exempting taxes, wantonly charging costs and fares, and misappropriation of the state's revenues. This situation, if it continues, will not only hinder the fulfillment of this year's state budget but will also impact on the economy as a whole and jeopardize the harmonious and steady development of the national economy. Therefore, all localities and departments must pay attention to this case, work hard to increase revenue and reduce expenditure in the fourth quarter, and thus ensure the fulfillment of this year's state budget.

The State Council has assigned the following tasks to localities and departments:

1. Heighten confidence, overcome difficulties, and do a good job in promoting production and practicing economy in the fourth quarter. We must make full use of the present good opportunity as production and market sales are increasing with each passing month, and do our best to achieve the readjustment of the product mix and to improve the economic results. It is necessary to make great efforts to substantially increase the production of marketable goods, improve product quality, lower consumption of raw materials and fuel, and explore the market by every means. As for those with brand names, quality, and special products that have a demand on the market, it is necessary to support the producers in terms of supply of funds, energy, and raw and processed materials, so they can operate on full capacity. As for those products which are constantly overstocked and unmarketable, we must resolve to appropriately dispose of some of the enterprises concerned and save the funds for others. While properly managing the procurement of agricultural and sideline products, we must make arrangements to market industrial goods in rural areas and explore the rural market. Our leading comrades in governments at all levels must take the task to promote production, practice economy, and boost the market sale as an important one. They should go down to enterprises, give concrete guidance, start well-planned operations, push the vast number of cadres, staff members, and workers to do their best to promote production and increase revenue, and thus ensure the fulfillment of this year's production and marketing targets.

2. Strengthen leadership, tighten control over collection of taxes and fees, and make every effort to increase incomes. All localities and departments must keep up the morale, dispel the fear of difficulties, and try earnestly to increase incomes. Those localities which have done a good job in fulfilling their revenue quota should do their best to increase their revenues further and thus make greater contributions to balancing revenue and expenditure within the state budget; while those localities which have failed to fulfill their revenue quota should conscientiously analyze the causes for failure and take effective remedial measures. All departments and units that are required to turn over incomes must take the overall interests into account, overcome difficulties, and ensure the fulfillment of their assignments. For those enterprises that are practicing the contracted management system, if they fail to turn over income up to the set quota, they will have to pay up the amount with the funds they have in hand. For those which are practicing the system linking remuneration with economic results, if they fail to turn over income up to the set quota, they will not be allowed to draw funds and pay them to the workers as reward for the improvement in the economic results. It is necessary to manage properly the collection of taxes, plug all loopholes which may encourage evasion of taxes, tap all potential sources of taxes, and make every effort to fulfill the tax revenue quota. Work should be done to collect overdue taxes from enterprises.

When an enterprise receives payments for goods, it should first pay off the taxes with the received money, and under no pretext should it refuse to accept payments by others or keep the money without paying off the taxes. In this way the state treasury can ensure the timely collection of the full amount of taxes. Different departments must closely cooperate with one another and work together to see that enterprises will pay off taxes in compliance with the law. In case an enterprise fails to pay overdue taxes, the bank should force the payment by deducting the amount from the enterprise's account in the following order: "taxes, loans, the payment for purchased goods, and the portion of profits that is to be turned over." In case of return of overpaid taxes, the financial and taxation departments, as well as the state treasury, should carry out strict examination; and any case that fails to meet the regulations shall be rejected. Every enterprise must pay its contribution to the Energy and Communication Key Project Fund and the Budget Adjustment Fund strictly according to the regulations, and no enterprise is allowed to be in arrears with the payment under any pretext, still less will it be allowed to benefit from reduction or exemption of payment. Great efforts should be made to ensure enterprises will turn deficits into profits; the authorities concerned should be strict with the payment of subsidies to enterprises suffering losses, and no extra payment in excess of the limit shall be made. All departments assigned to collect taxes and fees must attach prime importance to government revenue, whether it goes to the central or local government; and they must work in real earnest to ensure the revenue quota will be met.

3. Resolutely stop the practice of arbitrarily reducing incomes but increasing expenses. The increase and reduction in taxes, the levy and exemption of taxes, the increase and decrease in tax rates, the income of revenue, the outlay of expenditure, and the relevant criteria are all based on the state's unified regulations. All provisions in this regard shall be ratified and promulgated by the State Council or be enacted by the Ministry of Finance or the State Administration of Taxation. No locality or department shall draft and issue any document on reduction in revenue and increase in expenditure in violation of state regulations. Documents issued in this connection, if any, shall be sorted out and rescinded without delay. If such documents are not rescinded, financial and taxation departments concerned are entitled to ignore them.

4. Practice strict economy, retrench expenditure, and make every effort to balance revenue and expenditure. From now on, all localities and departments must stop adding any extra outlay of expenditure in excess of the budget. Those localities which have satisfactorily fulfilled the revenue quota or are likely to earn a revenue higher than the quota shall not expend their extra income but keep it for next year; while those which have failed to fulfill the revenue quota or whose revenue is likely to fall short of the quota must adjust their expenditure budget in good time and cut their expenditure as much as possible in order to balance their incomes and

expenses and avoid deficits. It is necessary to continue to keep the purchasing power of non-individual consumers under strict control. In this connection, application for appropriations lodged by administrative organs and service units should be examined particularly strictly. All departments and units must strictly enforce the discipline for financial and economic operation and implement the state's financial system, and must not arbitrarily issue bonuses, subsidies, or other rewards in kind. Infringement of public interests, the practices of giving banquets and presenting gifts at public expense, and extravagance and waste must be strictly banned. Year-end rush spending and special festival allowances are prohibited. Financial, supervisory, and auditing departments must strengthen inspection to curb such malpractices, and any persons-in-charge involved in such cases shall be held responsible.

5. Strengthen financial administration, and carry on the general inspection of taxation, finance, and commodity prices in depth. The State Council has already made the arrangement for the general inspection this year, and all localities and departments must do away with slackness, work conscientiously, and strictly deal with malpractices in violation of laws, such as arbitrarily reducing or exempting taxes, arbitrarily charging costs and expenses, illegally retaining financial incomes, and wasting state funds and assets. Funds expended or retained in violation of regulations should be confiscated and turned over to the treasury without delay, and no default will be tolerated. Those who are directly responsible for cases of violation of financial and economic discipline are subject to disciplinary punishment. Also, it is necessary to conscientiously implement the decision adopted by the CPC central authorities and the State Council and do a good job in dealing with the "three disorders."

6. Strictly examine this year's final accounts of revenue and expenditure. In the end of the fiscal year, all localities and departments must assign personnel to carry out strict examination of all final accounts of revenue and expenditure. All cases of illegal retention and misappropriation of incomes, fraudulent applications for reimbursements, and inappropriate transfer of funds should resolutely be redressed. In case the parties involved refuse to mend their cases, the bank shall take action to deduct the due amount from their accounts by authorization. All misappropriations of incomes payable to the central authorities in violation of the financial administrative system and the relevant regulations enacted by the State Council shall be recovered upon the year-end final accounting of revenue and expenditure. Those who are found responsible for serious cases are subject to disciplinary action. Through inspection and auditing, all due incomes shall be recovered and turned over to the treasury, all unjustifiable expenses shall be repaid, and a financial balance should be maintained.

The State Council holds that the fulfillment of the state budget for this year is of great importance to the effort to overcome the current financial difficulties, to ensure the

smooth progress of the economic improvement and rectification operation and the in-depth reform, and to promote a steady economic development. All localities and departments must have a stronger sense of overall interests, more clearly see the great significance of the fulfillment of this year's budget, strictly observe the financial and economic discipline, and do a good job in the drive of increasing revenue and reducing expenditure. The principal leading comrades of all localities and departments should take care of this task in person and see that it is properly done through to the end. They should strengthen leadership over finance and taxation departments, inspire them to take courageous steps, and help them overcome the difficulties that they encounter in the drive of increasing revenue and reducing expenditure. These leading comrades must immediately start studying the case and mend their pace in carrying out the operation in accordance with the requirements laid down in this circular, and thus make their contributions to fulfilling this year's state budget.

'Special Article' Views Economic Future

HK1111080890 Hong Kong WEN WEI PO in Chinese
9 Nov 90 p 2

["Special Article" by staff reporter Ho Ping (6320 1627):
"Whither China in the Next 10 Years?"]

[Text] Shanghai, 8 Nov (WEN WEI PO)—How is China to get rid of its current economic impasse? What selection is it to make as to the direction of reform in the next 10 years? That is a topic of universal concern in China.

No one will deny that China is confronting unprecedented severe challenges in the waves of worldwide reform in the 1990's. Recently, personalities with breadth of vision in the economic, enterprise, and banking circles have one after another aired their views on this.

Market Mechanism Has Been Weakened

Some experts hold the view that the key current global issues are the market and natural resources. The market has always been, over the past several centuries, and remains the key to world economic development. True, the Chinese market is not a small one, but it has never been healthily developed. A relevant survey showed the materials and equipment, labor service as well as the capital markets have shrunk somewhat on Mainland China in recent years; moreover, excessive administrative intervention has suffocated the rather active real estate, leasing, technological, and qualified labor markets. Market development has been restricted, and the market regulation mechanism weakened, posing immediate threats to enterprises' subsistence and development; consequently, some enterprises are on the verge of extinction. According to official statistics, the number of state-run industrial enterprises inside the budget suffering from deficits was 12,502 by the end of last June, accounting for 33 percent of enterprises in this category, with an accumulated deficits in terms of 12.7 billion yuan between January and June, increasing by 6 billion

yuan over the same period last year, up by 88.9 percent; costs of comparable products rose by 5.8 percent in the first six months of the year on the basis of the 22.4 percent increase over the same period last year, while the profit volume dropped by 55.5 percent; the sales profit and tax rate was only 14.3 percent, dropping by 3.2 percentage points. A withering market has brought unfavorable effects on the investment climate.

Blind Optimism Is Cooling Off

In actuality, blind optimism holding that foreign businessmen would be attracted as long as there existed more preferential policies has begun to cool off.

Reviewing the 10-year reform, from evading to acknowledging the market, from building a consumer market to taking an active part in developing a production materials market, from developing a commodity market to gradually building up a market for production essentials, especially since the 13th CPC Congress, at which it was explicitly proposed to set up a complete and perfect market system, market mechanism has played a great role in the national economic development. Some data showed the varieties in mandatory production and circulation was cut back to some 50 in 1988 from the 120 in 1984, the mandatory plan reduced to some 17 percent in the gross industrial output value, and the plan of guidance accounted for some 40 percent, while market regulation accounted for 40 percent. Thus, the administration of the majority of state-run enterprises has gradually changed from primarily direct to indirect control, although the state generally clings to the principle of the planned economy.

A Far From Complete and Perfect Market System

Experts pointed out, the confusion surfacing in Mainland China's economy several years back could not be attributed to "the excess of market activities at the expense of planning," but to the incompleteness and imperfection of the market system and the irregularity and immaturity of the market order. Completion and perfection of the market system is an extremely important aspect in deepening reform while implementing the central orientation and principle of reform, namely, building an economic administrative structure and economic operational mechanism compatible with linking planned economy to market regulation. Experts reminded that the market-oriented reform is aimed at the traditional structure repelling the market mechanism, and its resistance inevitably comes from the traditional structure. If the market withers and is even done away with, how can its link to planning be worked out?

Enlightenment of 10-Year Special Economic Zones

The Special Economic Zones (SEZ's), as experimental grounds for China's reform, have a 10-year history with outstanding accomplishments. Since their founding, the SEZ's have gradually formed an economic operational structure which gives full play to market regulation linked to the world economic operational mechanism.

The SEZ's experiences in their bold reform of the old traditional administrative structure and methods to invigorate enterprises and to nurture the market mechanism have provided Mainland China with many helpful references in its economic restructuring. Their experiences have also testified to a recent statement by Xue Muqiao [5641 2550 2890], China's famous economist, namely, the correct orientation for reform should be ironing out prices and leveling [ping zheng 1627 2419] the market, so enterprises may be able to compete fairly from the same starting line with a standardized competition code. Just as it was the case with the just-concluded Asiad, we have not heard of any criticism against such a competition code, whether it be capitalism or socialism. If China really wants to compete and cooperate with capitalist countries, it will not be able to if it refuses to accept the universally acknowledged code.

Experts here proposed, under the condition of maintaining the economy public ownership as the main body, rational disposition of the ownership structure and gradual increase in the proportion of non-public ownership economies are favorable to realizing the socialization and modernization of market circulation. Aside from running more enterprises with foreign investment, it is necessary to develop enterprises of the joint-stock system, and to permit transfer, including selling the property rights of some state-run enterprises. The government should mainly conduct control and regulation of the economic volume, structure, major proportional relationship, and trends of economic operation by means of policy guidance, economic levers, laws and regulations; whereas in the microeconomic arena, it may relax control over the overwhelming majority of enterprises, materials and equipment as well as products to give full play of market regulation's role. At the same time, it may further develop a plural and opening market system, especially such new rising markets as the stock exchange, real estate, labor service, and enterprise property rights transfer markets. Similar policies should be gradually implemented, whether they be enterprises with foreign investment, enterprises of the joint-stock system, enterprise of ownership by the whole people, collective enterprises, small, or large and medium-sized enterprises. Enterprise income tax rate should be gradually unified on the principle of simplified and fair taxation. Moreover, the foreign trade and foreign exchange structures should come under reform to create a mechanism encouraging enterprises to enter the world market.

There Is No Return

Previewing the next 10 years, we find China is really at a very critical moment. It is necessary to judge the hour and size up the situation and to seize the opportunity to catch up with the pace of the times. Or else, it may stick to old ways, and lose the opportunity again, and eventually be eliminated through selection by history. What course will China follow? An authoritative personality here put it in a nutshell: There is no way out for China if it refuses reform. He stressed, there might be some mistakes in past opening up and reform, but to negate

reform and opening on such grounds would be the greatest mistake. There is no return for China. The past highly planned and centralized economy has already been proven to be a dead end.

Zou Jiahua Greets Production Project Completion

OW1111054790 Beijing XINHUA Domestic Service
in Chinese 1443 GMT 10 Nov 90

[By reporter Zhang Xingduan (1728 5887 4551)]

[Text] Nanjing, 10 Nov (XINHUA)—A new production line for microwave components, a key project in the Seventh Five-Year Plan undertaken by the Nanjing Electronics Device Research Institute, was completed and passed the state's acceptance test today. State Councillor Zou Jiahua extended congratulations at the acceptance meeting on behalf of the State Council.

High-frequency, high-power, and high-reliability microwave devices, a new category of semiconductor products in the world, find wide application in astronautics, aeronautics, radio, and television industries. After several months of test production, the new production line can now turn out products with a technical performance up to advanced world standards, achieving the goal of using domestic products to substitute for imports. Two supplementary processing lines, the silicon components and gallium arsenide processing lines, have also turned out samples of rather good quality. When these production and processing lines are formally put into operation, they can be used to develop microwave and millimeter-wave devices to meet the needs of national economic and defense construction.

Rise in Capital Construction Investment Reported

HK1011083490 Beijing CHINA DAILY in English
10 Nov 90 p 1

[By staff reporter Li Hong]

[Text] China's investment in capital construction rose by 16.3 percent in the third quarter of this year, leading the national economy in its recovery from slow growth.

The government invested more than 85.2 billion yuan during the January-September period in capital construction projects, registering an average increase of 10.1 percent over the corresponding period last year.

The country's growth in industrial output, as a result of the month-to-month investment increase, climbed to 7.5 percent in September and 12.7 percent in October.

And officials from the State Statistical Bureau revealed that fixed assets investment, of which capital construction constitutes the bulk, would continue to rise during November and December.

Besides earmarking more money for fixed assets such as factory buildings and equipment, officials pointed out that the government is rationalizing investment to achieve the best results.

It has switched the lion's share of government investment to infrastructure, technological renovation and equipment renewal of industry and other vital new projects.

An official at the State Planning Commission told CHINA DAILY yesterday that the present investment trend will lead to a better and more co-ordinated development of China's economy, once disrupted by the over-heated growth of energy-consuming processing industries.

China cut back on its capital construction and launched the austerity campaign in 1988, when the national economy became overheated.

Since 1990, seeing that the austerity policy had worked and the economy needed a shot in the arm, the State decided to loosen its rein on loans.

According to the official, 17 billion yuan was invested in technical renovation in the third quarter, 9.4 percent more than in the corresponding period last year.

Most of the funds were aimed at improving quality and expanding the variety of manufactured goods.

Central government's direct input to State key construction projects hit 68.55 billion yuan during the past three quarters this year—an increase of 12.4 percent, the official said.

He noted that construction in energy, transport and telecommunication was high on the State's investment list, as the finished investment on power and communications increased by 22.1 percent and 16.3 percent respectively over the same period last year.

The official pointed out, however, the continued stockpiling of products had seriously hampered the enterprises' ability to re-invest, and foreign funds attracted since January to September had decreased by 21.6 percent compared with the same period last year.

Officials Schedule Market Reform Conference

HK1011015390 Hong Kong SOUTH CHINA
MORNING POST in English 10 Nov 90 p 8

[By Chris Yeung]

[Excerpt] Key planning officials in China are to hold a crucial national conference on the controversial Eighth Five-Year Plan starting this weekend as economists press ahead for greater market-oriented reforms in the economic blueprint.

Meanwhile, a vice-minister of the State Commission for Restructuring Economy said in yesterday's PEOPLE'S DAILY that one of the major tasks ahead was the implementation of price reform to gradually develop a socialist market system.

Mr Gao Shangquan also indicated that reforms of the centrally planned economic system should be intensified.

This would aim to develop a new centrally planned management structure under a combined system of central planning and market regulations, he said.

Mr Gao, also an economist, said another task was to reform the macro-level regulatory system of the economy for a mixed economic setup.

Other tasks were to further develop reforms for enterprises and improve relevant laws.

But he insisted that introducing greater market regulations should in no way change the basic nature of state ownership of the socialist economy.

And at a national conference, State Council spokesman, Mr Yuan Mu, said a restructuring of the economy was an urgent task for the Eighth Five-Year Plan.

He said the priority of development of different industries should be worked out, and that the central Government should strengthen its control over the planning of industrial development in the regions.

In Beijing, about 40 top economic planners from major provinces and cities have already gathered to prepare for the forthcoming National Planning Conference, during which a strategic plan for the economy over the next five and ten years will be discussed.

The final proposals are to be tabled at the belated seventh plenary session of the Communist Party's Central Committee next month for approval.

The session, which is expected to last at least one week was revealed by Chinese Prime Minister, Mr Li Peng earlier this month. [passage omitted]

Retail Markets Show Slow Recovery Since June

OW0811212490 Beijing XINHUA in English
1558 GMT 8 Nov 90

[Text] Beijing, November 8 (XINHUA)—Information from the State Statistics Bureau shows that retail sales of commodities have risen since June, but slowly.

It is estimated that the retail sales are expected to reach 825 billion yuan-worth by the end of this year, up 1.8 percent over last year.

In September the sales volume of color televisions, refrigerators and other household durable goods increased by 15 percent over the same period of last year.

Sales of daily necessities, especially foods, some fashionable dresses and toys, are picking up. But as the prices of some cotton cloth, woollen goods, silk, leather shoes are on the rise, their sales have been dropping.

In the first three quarters of this year, the retail sales of commodities in urban areas increased by 3.4 percent over the same period of last year, while in rural areas they dropped by 5.1 percent.

Analysts here say that increases in savings deposits weaken purchasing power. By the end of September, the savings deposits in urban and rural areas reached 661.7 billion yuan.

Other reasons are that the quality of some commodities is low and the product structure is unwieldy.

The analysts say that, as the country eased control over investment in fixed assets, the scale of bank credits is expanding. Also, this year's bumper harvests may fuel an upturn in the retail markets.

Special Economic Zones' Imports, Exports Rise

OW0911212290 Beijing XINHUA in English
1322 GMT 9 Nov 90

[Text] Beijing, November 9 (XINHUA)—China's special economic zones saw a steady increase in both exports and imports in the first nine months of this year. Their total trade volume hit 10.637 billion U.S. dollars-worth, 11 percent more than in the same period last year and accounting for 13.7 percent of China's total import and export volumes in that period.

According to the General Administration of Customs, the four economic zones exported 5.551 billion U.S. dollars-worth of goods, up 21.4 percent over the same period last year, and imported 5.086 billion U.S. dollars-worth, up 14.7 percent—accounting for 14.7 percent and 13.9 percent of China's total export and import volumes, respectively.

Of all the special economic zones, Shenzhen continues its lead in both exports and imports. In the first nine months of the year it exported 3.667 billion U.S. dollars-worth and imported 3.271 billion U.S. dollars-worth, up 15.9 percent and 7.5 percent, respectively. Its exports and imports accounted for 66.1 percent and 64.3 percent of the total trade volume of the four special economic zones.

Bank Loans For Rural Investments Assured

HK0911030890 Beijing CHINA DAILY in English
9 Nov 90 p 1

[By staff reporter Yuan Zhou]

[Text] China's only bank for rural investment yesterday announced a multi-billion-dollar lending increase this year to support township industries.

The Agricultural Bank of China and credit co-operatives under its supervision provided a total of 109.95 billion yuan (\$23.29 billion) in loans to rural industry in the first 10 months of this year, said a bank official.

This represents an increase of 18.2 billion yuan (\$3.85 billion) over the previous January-October period, she told CHINA DAILY.

The loans helped China's township enterprises to increase their output value by 8.5 percent.

While tightening the guidance of rural industries, the State has been encouraging township firms to improve the quality of their products and become more competitive.

"Township enterprises engaging in the manufacture of export-oriented products and goods which are in short supply on the home market will continue to receive backing from the bank, while those which are inefficient, waste energy and cause pollution will not be funded," said an official with the bank.

To revitalize rural firms, which were plagued by slow industrial growth and shortage of funds in late 1988, the bank provided 3 billion yuan from January to September to 13,000 enterprises for technical innovation.

Lending from the bank and credit co-operatives to rural industries has now reached 113.5 billion yuan (\$24 billion), a 17.4 billion yuan (\$3.68 billion) increase over the beginning of this year, according to the bank figures.

A bank survey in East China's Anhui, Jiangsu and Zhejiang provinces and Chengdu, capital city of Sichuan Province, shows that from January to September, nearly 55 percent of bank loans were given to township firms which generate profits. Loans to firms with poor economic performance were cut by 5 percent.

In clearing debts among industrial enterprises, the bank recovered 450 million yuan which has been re-allocated in the form of loans to such key sectors as the coal and minerals industries and construction of small hydro-electric power stations.

According to the State Statistical Bureau, in October, rural industries in Jiangsu and Zhejiang provinces alone chalked up an output increase of 1.75 billion yuan over the September figure, which boosted the rise in the country's rural industrial output by 10.8 percentage points.

Rural industries and foreign funded enterprises increased their output value by a total of 5.82 billion yuan (\$1.2 billion) over September.

China had about 18.6 million rural firms by the end of last year, according to figures from the Ministry of Agriculture.

In line with the rapid development of rural industry, the Ministry of Agriculture is planning a national conference next month to consider new regulations aimed at further enlivening the rural industrial sector, it was disclosed yesterday.

New Tariff Rates for Vegetable Oils Announced

OW1011021090 Beijing XINHUA in English
1614 GMT 9 Nov 90

[Text] Beijing, November 9 (XINHUA)—The Customs Tariff Commission of the State Council today announced new tariff rates as of November 20 on a number of imported vegetable oils.

The current tariff rates on both soya-bean oil and peanut oil are six percent for the lowest and 11 percent for the

average. After being readjusted, those of soya-bean oil will be 20 percent and 30 percent, respectively, and those of peanut oil, 15 percent and 20 percent, respectively.

The current tariff rates of both sesame oil and rapeseed oil are nine percent for the lowest and 14 percent for the average. Those of sesame oil will be 15 percent and 20 percent, respectively and those of rapeseed oil, 25 percent and 35 percent, respectively.

The current tariff rates of palm oil, palm kernel oil and coconut oil are all 20 percent for the lowest and 30 percent for the average. They will all be readjusted to 30 percent and 40 percent, respectively.

The tariff rates of linseed oil will be much lower after being readjusted—from 50 percent and 70 percent, respectively, to 20 percent and 30 percent, respectively.

Growing Importance of Shipbuilding Industry Viewed

HK0911091990 Beijing RENMIN RIBAO in Chinese
2 Nov 90 p 2

["Roundup" by staff reporter Li Qian 2621 5409: "The Quickly Rising 'Smokeless Iron and Steel Industry'"]

[Text] The shipbreaking industry, that is praised as the "smokeless iron and steel industry," has become an important supplement to our country's raw material industry and made important contributions toward the development of urban and rural economic construction.

Our country's shipbreaking industry is now ranked in the first row of the world. The shipbreaking capacity has sharply increased from 300,000 tonnes (referring to the net weight of the ships) in 1983 to 2.5 million tonnes in net weight and our country has a certain capacity for steel rolling, intensive processing, and comprehensive operation and production. Since 1983, our country has bought scrap ships of some 6 million tonnes in net weight from abroad and recovered from them 4 million tonnes of steel, that is equal to a medium-sized steel plant's annual output. It needs an investment of several billion yuan to build a medium-sized steel plant but the shipbreaking industry can come by so much steel without the state investment. The shipbreaking industry's development can create considerable economic results for the state. According to statistics, the country's shipbreaking industry has acquired economic results at the value of 850 million yuan over the past seven years.

The quickly rising shipbreaking industry has yielded even more prominent social benefits. Over the past seven years, Jiangsu Province's shipbreaking industry has dismantled scrap ships of 1.62 millions tonnes in net weight and obtained 1.43 million tonnes of metal materials converted to 1.21 millions of steel, that is equal to the province's annual output of steel. Over the past few years, many Guangdong Province peasants have built houses that need a large quantity of steel. Over the past seven years, the state material departments have only supplied them some 210,000 tonnes of steel, but the

shipbreaking industry has provided some 850,000 tonnes of steel that accounts for 80 percent of the total amount needed.

The law of the shipbreaking industry's development is: The world's economic depression gives rise to the depression of the shipping industry and the scrap and old ships lying idle in the ports for a long time preferably should be reported as worthless. With an increase in the number of scrap ships, the price drops and the shipbreaking industry thrives. Conversely, if the number of ships reported as worthless is reduced, the price will rise and the shipbreaking industry will decline. The first tide of our country's shipbreaking industry began in 1967 and the state seized the opportunity when the price of the scrap ships dropped, imported some scrap ships, and dismantled them into steel plates, resolving the materials shortage in the production of agricultural tools. Shipbreaking this time lasted seven years and was later stopped because of a sharp price rise of the scrap ships in the international market. The second tide began in 1978, but this time shipbreaking started comparatively slowly and lasted only two years. On account of the ship price rise, the shipbreaking enterprises incurred losses and then announced suspension of production. It should be admitted that in the foregoing two tides, our country's shipbreaking was done on a small scale and separately and was not really formed into an industry, the shipbreaking method was extremely backward, and shipbreaking was basically destructive dismantlement. Even the utilizable equipment was crushed into scrap iron and steel. Shipbreaking was also called "savage dismantlement." Therefore, the economic results were very poor. When the price of the scrap ships was very low, the subsistence of the enterprises could merely be maintained, but once the ship price in the international market went up, the enterprises immediately closed down or changed the production line.

After a tortuous course of "two rises and two declines," our country's shipbreaking industry rose up again in 1983 and began developing greatly. In 1983 the State Council made a policy decision on the shipbreaking industry's development and formulated corresponding preferential policies to support it, arousing the enthusiasm of the provinces and municipalities that had conditions for developing the shipbreaking industry. Without requiring state investment, the country's shipbreaking industry began arming and perfecting itself, its operation gradually headed for semimechanization and mechanization, it changed the backward management outlook, the dismantlement technology went scientific and standardized, it enhanced the management level, and improved the quality of its enterprises, thus making the shipbuilding industry of our country become a rising industry. In the period of great prosperity of our country's shipbreaking industry in 1986, 16 shipbreaking companies and 120 shipbreaking plants were organized and set up throughout our country. In that year, 1.8 million tonnes of scrap ships were purchased and 1.89 million tonnes of scrap ships were dismantled. So, the

mainland's shipbreaking industry was only second to Taiwan Province and ranked second in the world.

Over the past two years and more, the world economic situation has improved, shipping throughout the world has revived, ships that lay idle in the past have started to work again, the price of scrap ships has risen sharply, and the shipbreaking industry has fallen from its zenith to the nadir. However, the majority of our country's shipbreaking enterprises have not suspended production, changed the production line, or broken up in a hubbub as they did in the past. No doubt some shipbreaking plants that lack competitive power are unavoidably eliminated through competition but several dozen backbone enterprises, whose bearing ability is comparatively strong, have summed up experiences, trained their forces, improved their quality, and tried in every possible way to diversify with an indomitable spirit in order to tide over the difficulties. Some of them have developed the shiprepairing and shipbuilding work, some have change their production line to steel rolling and machinery processing, some have used their fragmented steel from shipbreaking to produce small metalwares, and some have allowed others to use their shipbreaking equipment and places on lease, thus guaranteeing the shipbreaking industry's backbone forces. Some enterprises that do a good job in diversification have seized the opportunity to carry out technical innovations to increase their staying power for the next upsurge.

According to the authoritative economic information departments' analysis and calculation, the international shipping industry now has a fairly large number of ships that have exceeded, or are about to exceed, their serviceable period and after the new ships are put into operation, a large number of ships will surely be eliminated through competition. Therefore, another shipbreaking tide will emerge around 1992. Shipbreaking industry is a labor-intensive industry and shifted from the developed countries to the Third World long ago. Mainland China has vast waters and an ample labor force, the costs are low, and a powerful shipbreaking force has been built up. In the next shipbreaking upsurge, our country's shipbreaking industry is likely to develop. Experts point out that our country is a country with insufficient metallurgical industrial resources and its iron and steel output still cannot meet production needs. This situation cannot be basically changed for a fairly long time in the future, but the shipbreaking industry is an effective way to get a large quantity of cheap metal and equipment with less expenses. Therefore, the development of the shipbreaking industry is by no means an expedient measure, but must be carried out unremittingly as a long-term policy.

Land Available for Grain Production Increases

*OW1011134990 Beijing XINHUA in English
1212 GMT 10 Nov 90*

[Text] Beijing, November 10 (XINHUA)—China has increased the land available for next year's grain production by 400,000 hectares as a result of a record harvest this year.

The State Statistical Bureau's latest sample survey of 80,000 rural families revealed that China has increased the wheat acreage in the north and the winter crop acreage in the south by 3.6 percent over last year.

The bureau said that localities have continued to pay great attention to expanding sowing areas, and that ample seed and fertilizers have been prepared.

At the same time, the major grain production areas have attached greater importance to applications of science and technology in planting. Technicians, who will provide technical assistance, have contracted over eight million hectares of crops. In addition, over 230,000 hectares were added for experiments with advanced fertilizer application technology.

The Ministry of Agriculture has called on local provinces to balance the land allocated for grain, cotton and oil-bearing crops in order to ensure a sustained growth in next year's agricultural production.

Development Urged for Southern Mountainous Areas

*OW1011014890 Beijing XINHUA in English
1543 GMT 9 Nov 90*

[Text] Beijing, November 9 (XINHUA)—A group of scientists have called for ecological farming and a comprehensive development of the natural resources in south China's mountainous areas.

The scientists, led by leading soil scientist Xi Chengpan, urged this in a report following a 10-year field inspection of these areas, according to a meeting to evaluate the report here today.

South China's mountainous areas, which cover the eastern part of China's sub-tropical zone, have economically favorable climatic and geographic conditions.

However, the scientists pointed out, the abuse of the natural resources and the abrupt increase in population in the past few decades have caused a deterioration of the ecological and social conditions in the areas, including soil erosion and frequent natural disasters as well as low living standards.

Faced with such a situation, the Chinese Academy of Sciences jointly sponsored a field inspection with the State Planning Commission from 1980. The scientists studied the current status, potential, conditions and development of the areas' natural resources.

Meanwhile, the scientists set up some development models with the help of local governments.

Experts at the evaluation meeting said they believed that the study has probed the key problems in the development of rural resources and the protection of the environment. The data gathered may be of great value for the state in making long-range development plans as well as for other Third World countries in developing their natural resources.

East Region

Visiting Heilongjiang Secretary on Cooperation

SK1311022190 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 11 Nov 90

[Text] On Sunday 11 November, Sun Weiben, secretary of the Heilongjiang Provincial party committee, who had come to our province to conduct observation activities, happily met with our reporter in spite of fatigue caused by the busy schedule of the past few days. As soon as he began talking, Sun Weiben told the reporter: Heilongjiang people harbor a deep feeling toward Shandong countrymen. Heilongjiang now has a population of 35 million; two-thirds of them have original family homes in Shandong or have relatives in Shandong. None of our pioneering causes of opening up the great northern wilderness, building the large-scale oil field, or developing the great forests would be realized without the sweat and toil of the Shandong people. He asked the press unit comrades to convey the high respect of the Heilongjiang Provincial party committee and government to the Shandong people.

After introducing Heilongjiang's situation, Sun Weiben emphasized that the two provinces should further strengthen contacts and cooperation in the future. He said: The contacts and exchanges between Heilongjiang and Shandong have always been very close. Particularly since reform and opening up started, the two provinces have developed economic and technological cooperation in a well-guided and organized manner and reached agreements on more than 270 cooperation projects. These projects have yielded good economic returns.

Asked about the potential for future cooperation, Sun Weiben said with full confidence that the economic and technological cooperation between the two provinces would have broad prospects. He held: The two sides may use their advantages in product resources and industrial composition to help meet each other's needs. Shandong has resources in cotton, salt, light and textile industries, and processing of machines, and Heilongjiang has resources in timber, dairy products, heavy machines, and power generating equipment. Their advantages happen to be able to compensate for each other's deficiencies. Through exchanges of materials and technological cooperation, it is totally possible for the two provinces to realize long-term cooperation and increase their strength for sustained economic development. As far as the work of opening to the outside world is concerned, Shandong has good sea ports open to the world; these may be used by Heilongjiang, an interior province, to link with the world. Meanwhile, Heilongjiang has opened 10 trade outlets to the Soviet Union, which Shandong may use to export its products to the Soviet Union and East European countries and to enter the world market with Heilongjiang hand in hand.

Sun Weiben was convinced that as long as both sides use their strong points to compensate for each other's deficiencies and benefit each other, they will be able to develop side by side.

Zhu Rongji Meets Hong Kong Industrialists

OW1411143390 Shanghai City Service in Mandarin
2300 GMT 13 Nov 90

[From the "Morning News" program]

[Text] Last night, Mayor Zhu Rongji met Zheng Yutong, chairman of Hong Kong's New World Development Corporation; Li Zaoji, chairman of Hong Kong's Hangji Manufacturing Corporation; and Mao Yuping and his wife at Jinjiang Hotel. The guests were here at the invitation of Shanghai.

Mayor Zhu extended his warm welcome to the guests, and gave them a detailed briefing about the development in Pudong District and about the construction of major infrastructure projects in Shanghai. He asked the guests to express their views and suggestions on development in Shanghai.

Doctors Zheng Yutong and Li Zaoji are renowned industrialists from Hong Kong, ranking third and fourth among the ten richest men in Hong Kong. They acquired a good impression of Shanghai during their visit to the municipality and their inspection of development in Pudong District.

Vice Mayor Ni Tienzeng; Mao Jingquan, vice chairman of the municipal Chinese People's Political Consultative Conference Committee; Shen Beizhang, chairman of the municipal foreign economic relations and trade commission; and Xu Qingxiong, general manager of Hong Kong and Shanghai Industrial Corporation, were present at the meeting.

Zhejiang Provincial People's Congress Meets

OW1411144890 Hangzhou Zhejiang Provincial
Service in Mandarin 1000 GMT 13 Nov 90

[From the "Provincial Hookup" program]

[Text] The 19th Session of the Standing Committee of the Seventh Zhejiang Provincial People's Congress opened today. Chairman Chen Anyu presided over the session.

At the plenary meeting this morning, the Standing Committee members heard reports by Ma Cunying, chairman of the provincial planning and economic commission, on behalf of the provincial government on the implementation of the 1990 plan and the tentative plan for 1991.

Reports by (Song Shaoqiang), director of the provincial finance department, on behalf of the provincial government on the implementation of the 1990 budget between January and October, and the adjustments made to revenue incomes of 1988.

Reports by (Chen Shaoyi), director of the provincial water conservancy department, on behalf of the provincial government on the draft measures for implementing the PRC Water Law in Zhejiang Province.

Report by (Cui Bo), vice chairman of the Legislative Affairs Commission of the Standing Committee of the provincial People's Congress, on the draft measures for implementing conscription work in Zhejiang Province.

Reports on the examination of Hangzhou City's regulations for managing public transport and taxis.

Explanation by (Cao Zhengnan), vice chairman of the Standing Committee of the Hangzhou City People's Congress, on the regulations for managing public transport and taxis.

Report by Yang Bin, vice chairman of the Standing Committee of the provincial People's Congress, on the decision to change the name of the work committee for handling resolutions and suggestions of the Standing Committee members to that of the work committee for Standing Committee members.

Reports by responsible persons of the provincial Higher People's Court and provincial People's Procuratorate on the appointments and removals of personnel.

Vice Chairmen Wu Minda, Wu Zhichuan, Li Yuhua, Wang Qidong, and Zhu Zuxiang attended the meeting. Xue Yanzhuang, vice chairman of the provincial Chinese People's Political Consultative Conference Committee; (Chen Yanqin), deputy commander of the provincial military district; and responsible persons from relevant departments of the provincial government attended the meeting as nonvoting members.

Director Delivers Economic Report

OW1411221090 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 13 Nov 90

[From the "Provincial Hookup" program]

[Text] At the 19th Session of the Standing Committee of the Seventh Zhejiang Provincial People's Congress today, Ma Cunying, director of the provincial planning and economic commission, delivered a report on the implementation of the 1990 plan and the tentative plan for 1991 on behalf of the provincial government. He said: The provincial economy continues to expand in a positive direction.

In his report, Ma Cunying said: Under the leadership of the provincial party committee and government, every locality in Zhejiang has, during the past year, conscientiously implemented the resolution on the economic and social development plan adopted at the Third Session of the Seventh Provincial People's Congress. Through the concerted efforts of all parties, the provincial economy continues to expand in a positive direction. Success in controlling total demand has been consolidated, and the rate of price increases has fallen sharply. Agriculture has

reaped a good harvest. The yearlong decline in industrial production has been checked and is slowly rising again. Growth in exports maintains good momentum, and the sluggish market is beginning to pick up. The amount of cash withdrawn from circulation by banks continues to increase. However, one must soberly note that the deep-rooted contradictions accumulated over the years and the newly emerged problems are interacting with each other, and difficulties are present in every field of economic activity. Together with the weakness in the province's economic structure, these difficulties have caused Zhejiang to fall behind the rest of the country during the economic upturn. The extent of its difficulties is more serious than the rest of the country, and the room for maneuvering is smaller.

Ma Cunying said: The general guideline for next year's plan is to continue implementing the policy for improving the economic environment, rectifying the economic order, and deepening reform; to devote efforts to restructuring and raising productivity; to further strengthen agriculture; to focus on upgrading technology and modernizing the management of existing enterprises; to draft a plan for building infrastructure in accordance with our capability; to strive to open up wider to the outside world; and to maintain appropriate growth in the economy and a balanced expansion in social undertakings.

Central-South Region

Guangdong Governor Delivers Conscription Speech

HK1311114990 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 8 Nov 90

[Excerpts] Dear listeners, our provincial conscription work was unfolded on an overall scale on the tenth of this month. Provincial Governor Ye Xuanping delivered a broadcast and televised speech, calling on the broad masses of youth to actively answer the call of the motherland and apply to join the Army in order to serve the motherland with actual action. Now please listen to the following broadcast and televised speech made by Provincial Governor Ye Xuanping on successfully doing the conscription work:

Fellow compatriots, in accordance with the conscription order issued jointly by State Council Premier Li Peng and Central Military Commission Chairman Jiang Zemin on 9 October, our provincial conscription work was unfolded on an overall scale on the tenth of this month. Some young men and women at conscription age are to be enlisted for military service in accordance with the needs of our troop building. Successfully doing conscription work will constitute an actual action of our province to implement and carry out the "Military Service Law of the People's Republic of China" and embody both concern and support of our province for national defense building. It is also a major event in the political life of the people of the whole province. The people's governments at all levels and the people of all

social strata must fulfill the conscription task in accordance with both the stipulations of the "Military Service Law" and the requirements provided in the conscription order through their demonstration of a strong sense of political responsibility as well as ample work enthusiasm and by guaranteeing both conscription quality and quantity, thus supporting the troop building with actual actions. [Words Indistinct] [passage omitted].

The broad masses of the People's Liberation Army Army, Navy, and Air Force officers and soldiers as well as the armed police officers and soldiers stationed in our province have actively supported reform and opening up, continuously carried out activities of supporting the government and cherishing the people, joined hands with the local people in building socialist spiritual civilization, and made great contributions to our coastal and border defense, social stability maintenance, two civilizations building, and some other types of work. Each and every citizen should be proud of our motherland which is in possession of such a people's army. Each and every youth at conscription age should feel greatly honored upon being enlisted as a member of such a people's army. In doing conscription work, it is necessary to mobilize the whole party to send excellent youth to our Army. The party committees, governments, departments, and various trades and professions should, in accordance with the instruction issued by General Secretary Jiang Zemin, correctly handle the relations between conscription work and other types of work by taking into account the interests of our overall national defense building and national stability maintenance work [words indistinct] and should take the initiative to create favorable conditions for conscription work. The governments and conscription organs at all levels must earnestly strengthen leadership, conscientiously do well conscription-related planning, coordination, organization, and implementation work, and guarantee the quality of raw recruits. [passage omitted]

Defending motherland and resisting aggression is the sacred duty of each and every citizen. Serving in the Army in accordance with the law is also the glorious obligation of each and every citizen. We Guangdong people have had a glorious history of revolutionary struggles and have performed meritorious deeds in the struggles of resisting foreign aggression and defending our motherland. In the new situation characterized by reform, opening up, and rapid improvement of the people's livelihood, the broad masses of youth must follow the heroic and model examples of the older generations of revolutionaries, submit themselves to the national interests, feel honored in consciously fulfilling the obligation of serving in the Army, actively answer the call of our motherland, and actively apply to join the Army as to serve our motherland with actual action. [passage omitted]

Fellow compatriots, the people's national defense is run by the people. Let's unite, cooperate, and jointly grasp

and manage conscription work in accordance with the law and make our due contributions to building a modern national defense.

Article Views Hainan's Development

HK1511041390 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 7 Nov 90 p 3

[Article by Xu Qi (1776 3823): "Construction and Opening Up Proceed Side by Side—A Roundup of Two Years' Construction of Hainan Island Into a Special Economic Zone"]

[Text] It has been two years since Hainan was established as a province and a special economic zone. People in the country and abroad are concerned about its economic construction and development. A few days ago Jiang Wei, director of the Hainan Provincial Economic Planning Department, disclosed some relevant information.

First, the construction rate of basic facilities in Hainan is astonishing. Hainan's basic facilities were quite backward in the past. In the period before the establishment of Hainan Province, the island's electric power installed capacity was only 388,000 kilowatts, comprising mostly hydropower. With an investment of 474 million yuan for the last two years, the provincial government has built an electric power supply base in Macun village, some 20 km west of Haikou City. Statistics suggest that Hainan's installed capacity has increased by 400,000 kilowatts over the last two years, doubling the installed capacity in the period before the establishment of Hainan Province. Thus, from a region short of power supply, Hainan has turned into a province rich in electric power resources.

On traffic and transportation, Hainan has opened regular and chartered air routes to Hong Kong, Bangkok, and Singapore, apart from those to the northeastern, northwestern, northern, southern, and southwestern parts of the country. Its sea port handling capacity has increased from 7.4 million tonnes in the period before the establishment of Hainan Province to the present 10 million tonnes. The construction of four 10,000-tonne berths is still under way. Sea transportation enterprises have increased from three in the period before the establishment of Hainan Province to the present 27; the transportation capacity of ships and boats has increased from scarcely 40,000 tonnes in the period before the establishment of Hainan Province to the present 163,000 tonnes. Last year Hainan Province invested 215 million yuan in the construction of 140 km of highway and reconstruction of 55 km of highway, thus improving its highway transportation capacity.

With the installation of direct-dialing telephone sets, urban telephone sets have increased from 14,000 in the period before the establishment of Hainan Province to the present 41,000. In Haikou, program-controlled telephone sets have increased from 5,000 to 21,000. Telephone dialing from Haikou to major cities in the rest of the country has been automated or semi-automated; telephone dialing from Haikou to Hong Kong, as well as

major countries and regions in the world, has also been automated. Haikou has established telephone links with 101 countries and regions in the world and 513 major cities in China. Now 27,000 program-controlled telephone sets are being installed in the Haikou area, with a total investment of 91.27 million yuan. They will go into operation by the end of this year or early next year.

Last year Hainan Province's investment in the construction of urban facilities amounted to 90.50 million yuan, involving the construction of water supply, sewage, gas supply, traffic, public health, and market facilities as well as afforestation and environmental protection, in which marked achievements have been made.

Second, development projects are proceeding fast in Hainan. Investments in the four development zones of Haikou City amount to 705 million yuan. Investments in financial and trade development zones total 212 million yuan. The construction of eight tall buildings is almost completed. A total of 180 million yuan has been invested in the construction of a comprehensive development zone in the eastern part of Haidian Island, covering an area of 122,000 square meters. Of this project, office buildings and commodity houses [shang pin fang 0794 0756 2075] with a floor area of 100,000 square meters have been completed. The Yongwan industrial development zone is being constructed with an investment of 95.75 million yuan; eight projects in this zone have either been completed or are still under construction. A total of 73 million yuan has been invested in the Jinpan industrial development zone, in which some factory buildings have been completed and put to use. In addition, the theoretical proofing for the Yangpu development program has been completed and negotiations on this project are still under way.

Apart from applying various preferential policies provided by the state, Hainan Province has also formulated and improved its local rules and regulations to provide the best possible terms and conditions for Chinese and foreign investors.

Since last year Hainan Province has formulated and announced 21 local rules and administrative regulations. Some 20 rules and administrative regulations have been submitted to the higher authorities for approval and announcement.

In accordance with the state's preferential policies and Hainan local regulations, Chinese and foreign investors enjoy more favorable terms and conditions in construction, financial matters, employment, as well as entry and exit of personnel, as compared with other special economic zones.

Key construction projects are proceeding smoothly. Sixteen key construction projects with investments of 4 billion yuan started in the period before the establishment of Hainan Province are now proceeding smoothly. The construction scale and rate of these projects are unprecedented in Hainan. This conspicuously portrays the development and construction momentum in the Hainan Special Economic Zone.

Henan Party Committee Plenum Elects Leadership

HK1511105090 Zhengzhou Henan Provincial Service
in Mandarin 2300 GMT 13 Nov 90

[Excerpts] The Fifth Henan Provincial CPC Committee held its first plenum yesterday to elect a new provincial party committee leadership.

Comrade Hou Zongbin and Comrade Li Changchun presided over yesterday morning's meeting and yesterday afternoon's meeting respectively.

The first plenum was attended by 48 members and 11 alternate members of the fifth provincial party committee. The members unanimously adopted "Election Measures of the First Plenum of the Fifth Henan Provincial CPC Committee" and, on the basis of exhaustive discussions, elected, through secret ballot, Standing Committee members, secretary, and deputy secretaries of the Fifth Henan Provincial CPC Committee, approved the namelist of vice chairmen of the Henan Provincial CPC Advisory Committee and the namelist of secretary, deputy secretaries, and Standing Committee members of the Henan Provincial CPC Discipline Inspection Commission.

The incumbent provincial party committee Secretary Hou Zongbin delivered a speech at the meeting.

Hou Zongbin said: History has pushed our new provincial party committee to an important forefront of leadership. We feel that we are shouldering heavy responsibilities and are both determined and confident in joining hands with all the comrades in leading the people of our whole province to work hard, live a plain life, and strive to accomplish all the basic tasks and attain all the goals put forward by the recently concluded provincial party congress under the leadership of the party Central Committee.

Comrade Hou Zongbin put forward five views and shared his views with all the participants at the meeting:

1. To conscientiously study the Marxist theories, make every possible endeavor to remold world outlook, and constantly increase the principledness, foresightedness, and scientific basis of our work.
2. To conscientiously implement and carry out our party's principle of democratic centralism, strive to safeguard both unity and unification of our party, and enhance the unifying force of the provincial party committee leadership.
3. To continue to work in accordance with the party spirit, appoint cadres in accordance with their administrative achievements, and comprehensively implement the party's organizational line and cadre policies.
4. To honestly perform official duties and resolutely oppose corruption. The provincial party committee should set a good example in this regard.
5. To cultivate a down-to-earth work style and carry out all types of work in real earnest.

Hou Zongbin said: Our party and state are now at a very important historical stage. The complex international and domestic situations are bound to generate new developments and new questions. We must be able to withstand the test of peaceful evolution instigated by the hostile forces at home and abroad as well as the test of reform, opening up, and governing the country. In order to correctly comprehend, implement, and carry out the party's line, principles, and policies, we must constantly heighten our Marxist theoretical standard. [passage omitted]

Hou Zongbin pointed out: Democratic centralism is at once our party's fundamental principle and an important guarantee for safeguarding unity and unification of our party. As the provincial party committee we must take the lead in implementing this principle. When handling relations between party organizations and individual party members, between party organizations at higher levels and party organizations at lower levels, and between central party organizations and local party organizations, it is first of all necessary to adhere to the principle of individuals submitting to organization, lower levels submitting to higher levels, and the whole party submitting to the party Central Committee; second, it is necessary to correctly handle relations between democracy and centralism and adhere to collective leadership; third, it is necessary to earnestly strengthen unity within the provincial party committee while implementing the principle of democratic centralism. [passage omitted]

Comrade Hou Zongbin said with deep feeling: The party Central Committee and all the party members and all the people of our province have placed high hopes on our new provincial party committee. We must comprehensively implement the party's basic line, adhere to economic construction as the center, adhere to the four cardinal principles, adhere to reform and opening up, further brace up, strengthen our revolutionary sense of responsibility and sense of mission, conscientiously, responsibly, and actively carry out work, and unite and lead all the party members and all the people of our province to work hard to accomplish all the tasks put forward by the fifth provincial party congress, forge ahead with enhanced unity, and make due contributions to the development of Henan.

Xiong Qingquan Urges Technological Transformation

*HK1511020790 Changsha Hunan Provincial Service
in Mandarin 2300 GMT 11 Nov 90*

[Text] When making investigations in Yiyang Prefecture, provincial party committee Secretary Xiong Qingquan said: In Yiyang Prefecture, industry was built on a flimsy foundation. In the overall campaign to boost industrial production, we should focus on enterprises' technological transformation and make great efforts to tap their potential. Prefectures, cities, and counties should set up special bodies to take care of industrial production and invite some old comrades who are

familiar with industrial production to take care of enterprises' technological transformation. At the same time they should lose no time in increasing funds for technological transformation.

Comrade Xiong Qingquan stressed: We should make adequate use of local resources and surplus labor and idle funds in rural areas to vigorously expand township and town enterprises. We should promote industrial production province-wide and make the economy prosperous by promoting rural enterprises.

Southwest Region

Activities of Guizhou's Liu Zhengwei Reported

Stresses Role of People's Congress

*HK1311055590 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 9 Nov 90*

[Text] Provincial party Secretary Liu Zhengwei, Deputy Secretary Long Zhiyi, and provincial People's Congress Standing Committee Vice Chairman Wang Zhenjiang went to Guiyang City Party School yesterday morning to call on all students attending a training course for People's Congress cadres at the prefecture and country levels. Liu Zhengwei and Long Zhiyi delivered speeches to the students.

In his speech, Liu Zhengwei pointed out: People's Congress work is of great significance because it plays an important role in the political life of the people. Historical experience proves the system of the People's Congress is the most correct one which best suits China's national conditions. It is a glorious task entrusted to us by history to consolidate and develop this system. Many elderly comrades working in the People's Congress system are all long-tested veteran cadres of the party. They have done a great deal of valuable work in coordinating with and supervising the work of party committees and governments and played a positive role in the building of local political powers. Liu emphasized: Party committees at all levels should support the People's Congress to effectively carry out its work, while governments should make work reports to the People's Congress on a regular basis. Leading comrades of the provincial People's Congress should be invited to join the provincial party committee in discussing major issues, especially personnel appointment and removals.

Long Zhiyi relayed to the students the spirit of a national meeting on external propaganda work, which just ended in Beijing.

Lays Foundation Stone for Mine

*HK1511064390 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 11 Nov 90*

[Excerpts] At 1030 yesterday, provincial party and government leaders Liu Zhengwei, Wang Chaowen, et al, and Vice Minister of Chemical Industry Pan Liansheng,

who was on a special trip to Guizhou from Beijing, started to work with shovels to lay the foundation stone for (Wenghu) phosphate rock mine, marking the formal commencement of the first phase of our province's biggest construction project ever, the (Wenghu) mineral fertilizer base. [passage omitted]

At yesterday's opening ceremony, provincial party Secretary Liu Zhengwei said: Builders should by no means fail to live up to the ardent expectations of the central CPC Committee and the State Council; they should try every possible means to overcome difficulties and make the best use of every passing moment to expedite construction, striving to complete the construction of the mine in the first half of 1993.

Visits Space Industry Plant

HK1511064790 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 11 Nov 90

[Excerpt] Beginning in early November, a great 60-day upsurge of production was unfolded at the Pingshui Machine-Building Plant of the Guizhou Space Industry Corporation in an effort to overfulfill the output value by 10 billion yuan.

On 20 October, provincial party Secretary Liu Zhengwei, chairman of the provincial Political Consultative Conference Miao Chunting, et al, visited the Pingshui Machine-Building Plant to inspect production there. They encouraged all the cadres, workers, and staff members at the plant to overfulfill the target as much as possible in order to accomplish the annual task of 30 billion yuan. [passage omitted]

Attends Provincial Women's Congress

HK1411104690 Guiyang Guizhou Provincial Service
in Mandarin 2300 GMT 13 Nov 90

[Excerpts] The Sixth Provincial Women's Congress was solemnly opened in Guiyang yesterday [13 November] afternoon. The opening session was presided over by (Li Xianhui), deputy head of the leading group for the preparation of the Sixth Provincial Women's Congress. (Long Yuying) delivered the opening speech. Comrade (Yang Chungui) submitted a work report on behalf of the Fifth Executive Committee of the provincial Women's Federation. Attending yesterday's opening session were provincial party, government, and military leaders Liu Zhengwei, Su Gang, (Yao Kunping), Ling Zhiyi, Zhang Shukui, Hu Kehui, (Su Qi), Liu Hanzhen, Luo Dengyi, Wang Zhenjiang, Jian Xianai, Meng Sufen, and veteran comrades (Qian Xinggen) and (Bai Ling), and others.

On behalf of the provincial party committee, provincial Deputy Secretary Long Zhiyi extended warm congratulations to the meeting. He said: Five whole years have passed since the last congress. Over the past five years, great changes have taken place and marked results have been achieved in all fields of our endeavor. This is the result of the efforts of party committees and governments at all levels in guiding the people of the province

to fight bravely in unity, which is also cemented with the work and sweat of the women of all nationalities throughout the province. [passage omitted]

Long Zhiyi called on women throughout the province to unswervingly follow the party's basic line; enhance their quality in an all-around way; develop the spirit of self-respect, self-confidence, self-reliance, and self-improvement; and plunge into the cause of reform and construction with a high spirit of doing solid work. [passage omitted]

Long emphasized in his speech: A Marxist attitude toward women needs to be cultivated in the whole party and society. Party committees at all level should strengthen their leadership in women's work. All sectors of society should make common efforts to defend women's legal rights and interests to create a good environment for their progress and development. Meanwhile, party committees at all level should help, support, and guide women's federations to independently carry out their work around the party's central task; assist women's federations in resolving some practical difficulties they encounter in their work, and coordinate forces of different sources to concertedly support the development of the province's women and children undertakings. [passage omitted]

Sichuan's Yang Rudai Visits Military District

HK1311114590 Chengdu Sichuan Provincial Service
in Mandarin 1015 GMT 9 Nov 90

[Text] On the afternoon of 5 November, provincial party Secretary Yang Rudai and Vice Governor Xie Shijie went to the provincial military district to handle official business on the spot, working out immediate solutions to the urgent, pending problems in the defense development in Sichuan.

At the on-the-spot meeting, commander of the provincial military district Ren Yinglai and Political Commissar Zhang Shaosong truthfully reported the existing problems in the defense development. When they mentioned that after the People's Armed Forces departments at county and city levels were transferred to the care of localities, cadre training has been insubstantial, the funds needed are inadequate, and therefore some work has become impossible, Comrade Yang Rudai decided right away to popularize in the entire province Leshan City's practice of deploying and training cadres in the People's Armed Forces and those working in local establishments in a unified way.

Comrade Xie Shijie also made it clear that the funds needed by the People's Armed Forces departments will be given due regard and solved with active efforts when we are budgeting for next year.

The two leading comrades also talked about the concrete measures for carrying out education on national defense at a deep level throughout the province, and required party committees and governments at various levels to

actively cooperate with the Army in its revolutionization, modernization, and regularization, and to support defense development with their practical efforts.

Living Buddha Rezhen on Tibet Human Rights

HK0811131190 Hong Kong TA KUNG PAO in Chinese
7 Nov 90 p 2

["Special Article" by staff reporter Lin Ning (2651 1337):
"Living Buddha Rezhen on Human Rights in Tibet"]

[Text] Guangzhou, 6 Nov (TA KUNG PAO)—Rezhen Danzim Jigme was chosen to be the incarnation of Rezhen V when he was three years old. He has been wholeheartedly engaged in the study of Buddhist classics for 30 years since then. Today, Living Buddha Rezhen is no longer a monk as he resumed secular life in 1981. He continues to take part in all kinds of Buddhist religious activities and is holding the post of vice chairman of the Tibet branch of the Buddhist Association of China. As a brilliant student who surpasses his teacher, Living Buddha Rezhen has a realistic and profound understanding of Tibetan Buddhism.

The Religious Policy Has Been Put Into Effect

Living Buddha Rezhen briefed this reporter on the characteristics of the Tibetan religion during an interview. He said there are four major sects of Buddhism in Tibet. The "Ningma" [1337 3854] sect is also known as the red sect as all the monks of this sect wear red hats and gowns. The "Sakya" [5646 6609] sect got its name because it originated from the Sakya area of Tibet. The "Kaju" [0807 5282] sect stresses secret methods rather than Buddhist classics, and one of its subjects, the Dabukaju [6671 1580 0807 5282] sect is still active today. The "Kadang" [0807 3981] sect, as the earliest religious sect in Tibet, emphasizes commandments and Buddhist observances. This sect later launched a "religions reform" under (Songkaba) [13450807 1572], a Qinghai native; and then in the early 17th century, the Qing emperor conferred an official title upon Dalai V. Thus the "Kadang" sect became the number one Buddhist sect in Tibet.

Having briefed this reporter on the characteristics of the Tibetan religion, Living Buddha Rezhen continued to talk about the 10-year catastrophe that destroyed the temples in Tibet, caused great suffering for monks and nuns, jeopardized religious culture, and disrupted legitimate religious activities in the region. Except the Potala Palace, almost all other temples have been devastated. This has seriously hurt the Tibetans' feelings. In all fairness, however, he said, all the people elsewhere across the country suffered from the catastrophe as the Tibetans did. By the way, not only Han people but also some Tibetans were responsible for the destruction of the Tibetan religion. The Dalai Lama's complaint that "Han people persecuted the Tibetans" is not the case.

"Nowadays, the policy toward religious faith has been implemented and the legitimate religious activities of the

monks and laymen are safeguarded." Wearing a happy expression, Living Buddha Rezhen said: "By last year the state had appropriated a total of more than 40 million yuan to finance temple reconstruction and renovation projects. Some 4 million yuan has been paid to some temples in compensation for their losses. Throughout Tibet a total of 178 temples and 978 venues for religious activities have been rebuilt and reopened for service.

"The Lhasa great prayer meeting and the Zhashilunbu Temple great buddha worship festival which had been suspended for 20 years, the Gandan Temple exhibition of the tapestry portraits of buddhas, the Duode [1122 1795] ceremony of Sangye Temple, and other religious festivities have been resumed; the Tibet branch of the Buddhist Association of China has set up a Buddhist classics printing house; the state has made special appropriations to finance the Potala Palace renovation project and, at the same time, approved the plan to establish a Potala Palace museum.

"In the temple, monks are classed under Living Buddha, Kanbu [0436 1580], Classic Masters [chuan jing shi 0278 4842 1597], and Zhachang [2089 2490]. Democratic administration is practiced in lamaseries; and monks pass on Buddhist classics on their own and practice a self-government and self-support system. Now the lamasery has introduced a new category of lamas, known as Lalang [0812 2597], who are in charge of farming, animal husbandry, forestry, commerce, and other productive labor. Such a system is to enable the lamasery to support itself economically. Last year, the per capita income of the monks of the three major lamaseries, namely Ganda, Sela, and Zhepang, exceeded 900 yuan. The latest statistics show there are a total of more than 34,000 monks and nuns in the region."

Separatism Has No Way Out

Living Buddha Rezhen also talked about the Lhasa riots stirred up by some lamas last year. He candidly noted: "The campaign for Tibet independence and national separatism will get nowhere."

In 1947, Living Buddha Rezhen V, who opposed the Tibetan upper strata's attempt to split the motherland, was persecuted to death in the Potala Xiaqinjiao [1580 6671 2139 1115 2953 6037] Prison by the pro-British elements within the Kasha government. The "Rezhen Case" aroused great indignation among the vast number of monks. They flocked to and stormed Rezhen Temple, and killed 16 Tibetan soldiers guarding the temple. A battle between 600-700 lamas and more than 1,000 Tibetan troops lasted more than 10 days.

Serfs Enjoyed No Human Rights

Living Buddha Rezhen told this reporter that he did talk with some monks and nuns who had taken part in last year's riots, and he felt these young people were inexperienced and had a meager knowledge of religion. In following others blindly, they displayed a kind of innocence. When asked

why they fought for independence, none of them could give an appropriate answer. Sakyamuni's religious doctrine advises people to "do good," "treat others on an equal footing," and "do away with the 10 evils." Stirring up riots apparently goes counter to the Buddhist spirit. Those with high attainments in the study of Buddhist classics would never take part in such activities.

Talking about the so-called "human rights," Living Buddha Rezhon asserted: In a general sense, human rights first of all refer to personal freedom, for without personal freedom the freedom of speech and thinking will be out of the question. During the Dalai Lama's reign, children of the poor were forced to serve as monks and nuns in temples based on the system that "one out of every two boys shall enlist with the temple." At that time monks and nuns could be assigned as kinds of properties, be presented by one temple to another as gifts, be mortgaged, and be traded. They were actually serfs of the temple. What human rights did these people have?

Before 1950, of the 1.2 million population in Tibet, more than 300,000 people were monks and nuns. They, mostly young people, did not engage in any productive work but relied on others for their living. Dozens of religious festivals were observed every year, and the roasted barley alone consumed on each occasion amounted to several thousand jin. Monks and nuns were not allowed to get married and have children. So, from the Tang Dynasty to the Qing Dynasty, Tibet's population decreased by 8 million; then, during the 200 years from the reign of Emperor Yongzheng of the Qing Dynasty to the peaceful liberation of Tibet, the region's population dropped by another 800,000. Such a social system simply inhibited human nature.

With anxiety, Living Buddha Rezhon talked of the present educational standard among Tibetans. The status quo that 70 percent of Tibet's population are illiterates badly needs to be changed, otherwise Tibet will face a lack of successors to carry on the research in Buddhist classics. At present more than 100 Living Buddhas and lamas are studying theories, policies, and laws concerning religions and are receiving general education in the Beijing Superior Tibetan Buddhist Institute of China. This is a good beginning.

When this reporter told the Living Buddha some foreign politicians have talked much about the human rights situation in Tibet, he replied with humor: "Tell them to experience the serfs' life in Tibet and they will see the reality of Tibet."

North Region

Bu He Gives Report on Nationalities Progress

SK1511013490 Hohhot Inner Mongolia Regional Service in Mandarin 1100 GMT 10 Nov 90

[Text] In his report made at the autonomous regional rally on commending the units and individuals outstanding in promoting nationalities' progress and unity, Comrade Bu He pointed out that continuously and deeply carrying out education on Marxist and Leninist national theories and on the party's policies on nationalities affairs represents the ideological guarantee of consolidating and developing the nationalities relationship to socialism and of promoting the undertakings of nationalities' progress and unity.

In his report, Bu He stated that Inner Mongolia is a locality of regional national autonomy. People from more than 40 nationalities, including Mongolia, Han, Daur, Ewenki, Oroqen, Manchu, Hui, and Korea, are living on the land of 1.18 million square km. This is a basic condition of our region. Therefore, unswervingly carrying out education among the broad masses of cadres and people in Marxist and Leninist national theories and in the party's policies on nationalities affairs represents an important and long-term task. He stated that in conducting this education, we should integrate it with the current education on the situation, on the party's basic line, on patriotism, and on socialism. By firmly bearing in mind the new domestic and foreign situation and problems concerning nationalities' affairs and the vivid facts scored by the people of various nationalities across our region in the past and at present in safeguarding the motherland's unification, upholding nationalities unity, and in commonly becoming prosperous, we should enable cadres and the people of various nationalities to further deeply understand and firmly foster the national views of Marxism-Leninism-Mao Zedong Thought on the basis of integration between theory and practice.

In his report, Bu He pointed out that in conducting this education, we should put its emphasis on the party's cadres and particularly on leading cadres at all levels who are the vanguards of the people of various nationalities in engaging in revolution and construction. To enhance the unity among various nationalities, we must first strengthen the inner party unity and particularly the unity among leading cadres at all levels. This represents a core of fostering unity among the people of various nationalities. Only by relying on the inner party unity and the unity fostered by the cadres of various nationalities can we develop or promote the unity of the people of various nationalities.

In his report, Bu He also pointed out that intellectuals who have engaged in reflective work as part of the working class are important forces in building socialism. The greatest desire of our region's intellectuals is to offer their intelligence and wisdom to promoting the unity and progress of the people of various nationalities across the

region, to having the region achieve development, and to making China prosperous. Over the past many years, our region's intellectuals have made important contributions in this regard. Meanwhile, the broad masses of intellectuals have found from reality that the antithesis and struggle between the four cardinal principles and bourgeois liberalization will first appear in the sphere of ideology. They have deeply understood their important duties of upholding the four cardinal principles and safeguarding the motherland's unification and national unity. The intellectuals of various nationalities should continue to vigorously study the national theories of Marxism and Leninism and the party's policies on nationalities' affairs. Along with integrating themselves with practice and with workers and peasants, they should continuously upgrade their proletarian political consciousness and enhance their sense of mission and consciousness for safeguarding the motherland's unification and national unity.

In concluding his report, Bu He stressed that juveniles are the future of the motherland and successors of socialist undertakings. Therefore, we should attach great importance on the education conducted among juveniles on the national views of Marxism-Leninism-Mao Zedong Thought and on the party's policies concerning nationalities' affairs and should grasp the education by regarding it as an important component part of the ideological and political education as a whole and as a strategic task of safeguarding the motherland's unification and enhancing national unity. Through education, we should enable the juveniles of various nationalities to gradually foster the national views of Marxism-Leninism-Mao Zedong Thought and have the fine tradition of fostering grand unity among various nationalities handed down from generation to generation.

Further on Report

SK1511012290 Hohhot Inner Mongolia Regional Service in Mandarin 1100 GMT 10 Nov 90

[Text] In his report made at the autonomous regional rally on commending outstanding units and individuals for promoting the progress and unity of nationalities, Comrade Bu He stressed that efforts should be made to correctly implement in an overall way the party's system of regional national autonomy. He stated that in upholding the system of regional national autonomy, we, at present, should correctly understand and grasp the relationship between safeguarding the country's unification and improving the regional national autonomy as well as between ensuring the country's interest as a whole and giving consideration to the interests of minority areas. This has great significance in safeguarding the country's unification, on consolidating and developing the nationalities relationship to socialism, on the state program of building modernizations, and on the development and prosperity of minority areas.

In his report, Bu He stated that our country had enforced the system of regional national autonomy under the state

unified leadership by having minority areas exercise their regional national autonomy and establishing autonomous organs to perform their autonomous rights. The major premise of regional national autonomy is to uphold and safeguard the state unified leadership by contending that without the unified leadership, there will be no regional national autonomy; as well as to enforce national autonomy among minority areas by contending that without national autonomy, there will be no nationalities unity and national unification. In essence, the state unified leadership and regional national autonomy are totally identical. Inner Mongolia being a national autonomous region is an inseparable part of the motherland and the locality of regional national autonomy. These autonomous organs in our region must safeguard the unification of the motherland and the unification of the state laws and decrees as well as the national government orders on the one hand; and must, in line with the autonomous rights imposed on them by the Constitution and laws, do a good job in conducting the work in various fields across the autonomous region by proceeding from reality.

In his report, Bu He pointed out that in dealing with the relationship between the interests of the state and the autonomous region, we must put the state interest as a whole in the primary place and resolutely fulfill the tasks assigned by the state. Under the socialist system, the fundamental interests between the state and national autonomous areas are totally identical. The development and prosperity of Inner Mongolia can be only realized under the state development and prosperity and can also promote the state development and prosperity. The natural resources of minority areas are commonly possessed by all citizens of the PRC. The natural resource exploitation and project construction conducted by the state in minority areas represent the demand of the state development and prosperity as well as of the development and prosperity of minority areas. The natural resource exploitation conducted by the state in our region represents the support and assistance given to us by the state. The large developing projects of energy, raw materials, communications and transportation, agriculture, forestry, and animal husbandry, which have been designed in a planned manner by the state for the autonomous region, have not only created conditions for developing the country's economy but also provided a most favorable opportunity for Inner Mongolia to further achieve development and prosperity. For just this reason, the cadres and the masses of various nationalities across the autonomous region are warmly welcoming and supporting the state projects of exploiting natural resources in the autonomous region in line with the law of conducting construction projects. They should consciously uphold the principle of attaching importance to the whole situation and on the state interest as a whole and actively support the construction of the key state projects. This not only meets the needs of the state interest as a whole but also represents a necessary road

for minority areas to improve themselves through developed localities. Therefore, we must clearly understand this point and be conscious of it.

Chairman Bu He Meets With Mongolian Guests

SK1411115190 Hohhot Inner Mongolia Regional Service in Mandarin 1100 GMT 13 Nov 90

[Text] On the evening of 12 November, Bu He, chairman of the regional government, met with and feted a ten-member delegation from the Mongolia-China Friendship Association led by (Henainixin), president of the Mongolia-China Friendship Association and mayor of Ulaanbaatar. During the meeting, Chairman Bu He extended a welcome to the guests on behalf of the regional government. He said: The two countries of China and of the Mongolian People's Republic have traditional friendly relations. Over the past few years, through the joint efforts of both sides, the two countries have gradually developed cooperation in trade and in economic and cultural aspects. It is hoped that in the future the China-Mongolia Friendship Association and the Mongolia-China Friendship Association will make new efforts to develop relations between the two countries and promote friendship between the two peoples.

During the meeting, (Henainixin), leader of the delegation from the Mongolia-China Friendship Association, first introduced to Chairman Bu He the Mongolia People's Republic's agricultural and animal husbandry development situation this year. He said: During this visit to China, the delegation of the Mongolia-China Friendship Association has seen China's tremendous achievements in the ten years of reforms which have given us a deep impression. [passage indistinct]

Tan Shaowen Joins in Farmland Capital Construction

SK1411144790 Tianjin City Service in Mandarin 2300 GMT 12 Nov 90

[Excerpts] On 12 November, Tan Shaowen, secretary of the municipal party committee, and Nie Bichu, mayor of the municipality, came to the Dashawo Village in Miaozihuang Township of Ninghe County to join in the laboring activities of building water conservancy works. During the activities, Tan Shaowen emphatically pointed out that efforts should be made to do a good job in formulating plans, to rely on the masses, to enhance leadership, and to build water conservancy works in a down-to-earth manner to continuously score new achievements in building water conservancy works across the municipality and to create better conditions for the development of agricultural production.

That morning, leading personnel from the municipal level organs, including Tan Shaowen, Nie Buchu, Lu Huansheng, Wang Liji, and (Wang Fengyou); and responsible comrades from the municipal agricultural commission and the municipal water conservancy works bureau; first came to the Dajia Township of Ninghe

County to inspect the work of improving the low-and-medium-yield farmland and of reclaiming the wasteland. During his inspection, Tan Shaowen stated that increasing collective accumulations by investing money in agriculture to improve the low-and-medium-yield farmland represents a good method. During his inspection, Nie Bichu encouraged the township to work hard in this regard in the coming few years to strive to score greater results. Then, Tan Shaowen, Nie Bichu, and others came to the Dashawo Village of Miaozihuang Township to work together with local cadres and people on the construction site of water conservancy works.

That afternoon, Tan Shaowen, Nie Bichu, and others heard the work briefing given by the Ninghe County party committee and the county people's government on the construction of water conservancy works. After hearing the briefing, Mayor Nie Bichu delivered a speech in which he fully acknowledged the achievements scored by Ninghe County in building water conservancy works. [passage omitted]

After hearing the briefing, Tan Shaowen also delivered a speech in which he stated that the municipality's situation in rural areas is very fine and that Ninghe County had set an example in this regard. We must attach great importance on the building of water conservancy works because it represents an important and basic work of promoting the stable development of agriculture. He urged the county, in carrying out the building of water conservancy works, to integrate the work realistically with the area and to realistically do a good job in formulating plans. In implementing the plans, it is imperative to fulfill the plans in a down-to-earth manner, to do practical work in fulfilling the plans, to score effects in fulfilling the plans, and to completely fulfill the plan as long as it has been drawn up. In his speech, Tan Shaowen stated that while fully arousing the masses, efforts should be made to actively popularize the advanced scientific and technological results; to integrate the work of broadening sources of incomes with that of reducing expenses; to develop lateral economic associations; to bring into full play the role of party organizations and members in building operations; and to have leading cadres at all levels improve their work style and play (an active role in the construction of water conservancy works).

Northwest Region

Xinjiang Military Strengthens Political Building

HK1411102690 Beijing RENMIN RIBAO in Chinese 6 Nov 90 p 3

[Report by Qiu Mingquan (6726 2494 0356) and You Qingbo (3945 3237 3134): "Xinjiang Military District Seriously Implements Spirit of Central Military Commission Leader's Speech and Strengthens Political Building in Subordinate Units"]

[Text] Up to 20 October, the Xinjiang Military District had dispatched 100 work groups to grass-roots units to guide the troops to seriously implement Jiang Zemin's instructions on Armed Forces building when he inspected Xinjiang and do a good job in building the Armed Forces according to the high standards.

From 22 to 31 August, Central Military Commission Chairman Jiang Zemin and Secretary General Yang Baibing called on the troops when they inspected Xinjiang and gave important instructions, demanding that the military units stationed in Xinjiang strengthen their political building, consolidate their unity with local governments and civilian people, and make new contributions to the development of Xinjiang's economy and to the common prosperity and progress of all nationalities.

The party committee and leading organs of the Xinjiang Military District and the commanders and soldiers in all subordinate units took the speeches of the chairman and the secretary general of the Central Military Commission as the guideline of their work, and implement these instructions by doing solid work in all fields to strengthen the building of the Armed Forces. In light of Jiang Zemin's instruction that the Xinjiang Military District should pay special attention to the political building of the troops so that they will be a military force loyal to the party's cause and obedient to the party's direction, the military district successively dispatched 100 work teams to grass-roots units to examine the state of ideological education which was aimed at building firm faith in socialism among the troops. Lieutenant General Tong Guangcai, political commissar of the military district, personally led a work team to inspect the units stationed in the Tianshan Mountains and guide them to conduct effective education for building firm conviction in socialism among the troops. For nearly one month, Political Commissar Tong climbed up to the plateau, crossed deserts, visited barracks and sentry outposts, conveyed the instructions of Jiang Zemin and Yang Shangkun to the troops, and required these military units to strengthen political building and ensure the implementation of the policy decisions of the party central leadership and the instructions of the Central Military Commission in their units. Major General Pan Zhaoming, political department director of the military district, led a work group to make investigations and studies in grass-roots units and instructed cadres and soldiers to cherish a high sense of responsibility for defending and developing the northwest frontier of the motherland.

The units of the Xinjiang Military District also studied the measures for the mass work in light of Jiang Zemin's requirement that "people of Han nationality should share the same feelings and share weal and woe with people of minority nationalities," and worked out new measures for promoting the unity between the military and the civilians and promoting nationality unity. The military district commend 59 advanced units and 61 advanced individuals in the work of promoting nationality unity. A good atmosphere in which all people are enthusiastic for promoting nationality unity has taken shape in all units of the military district.

Baren Township Reorganizes Party Organizations
OW0511223690 Urumqi XINJIANG RIBAO in Chinese
12 Oct 90 p 1

[Dispatch from Artux by reporter Ren Cheng (0117 3397)]

[Text] Baren Township in Akto County, drawing a lesson from the counterrevolutionary armed rebellion, has strengthened the building of primary party and government organizations in an all-around way. Under concrete guidance from the Kizilsu Kizgiz autonomous prefectural party committee, the Akto County party committee and the work group, the aforementioned work is proceeding smoothly and yielding remarkable results.

The former leading body of the Baren Township party committee in Akto County long overlooked the building of primary party and government organizations. As a result, the township was lax in its work, its primary party organizations were weak, the party members and cadres failed to play an exemplary vanguard role, unhealthy tendencies arose, and counterrevolutionary elements took advantage of the situation to stage a counterrevolutionary armed rebellion in early April this year. The rebellion has caused great losses to the party and to the people, and has had a bad political impact. Since the rebellion was quelled, a work group, formed by the Kizilsu Kizgiz autonomous prefectural party committee and the Akto County party committee and composed of some 260 cadres from prefectural and county organizations, has been working in the 14 villages of Baren Township. The work group conducted a serious investigation and quickly reorganized the leading body of the township party committee with the approval of the county party committee. It also convened the township People's Congress which elected the new township government leadership and recalled 11 township People's Congress deputies who were involved in the rebellion.

Since they took office, the new leading members of the township party committee and the township government have seriously heeded the bitter lesson. Under the guidance of the work group, they have strictly screened and reorganized 10 grass-roots party branches, reelected eight villagers' committees, rectified and rebuilt the militia, women's federation, Communist Youth League, and security organizations, and strengthened primary party organizations and cadres.

The township party committee has improved the inner-party life, ensured the implementation of the system of "three meetings and one lesson," established the system of party member's contact with people and the system of democratic appraisal of party members, and reregistered 389 party members in the township. Forty party members who lost revolutionary zeal and party spirit or took part in the rebellion were either persuaded to withdraw themselves from party membership or were expelled from the party. Thus, the party organizations have become purified. At the same time, the township party committee has also readjusted and strengthened the

cadre force of villages and villagers' groups, and established the cadre management procedures. Presently, each village has five to seven cadres, while each villagers' group has about three cadres. So, every area of work has been attended to by someone.

Another cause for the counterrevolutionary armed rebellion at Baren Township was that religious activities in rural areas were manipulated by national splittists, as our party was not firmly in control of its ideological and cultural positions there. Since the rebellion was quelled, all villages in Baren Township have set up cultural rooms with the help of the work group. Additionally, the autonomous regional Nationalities Affairs Commission has appropriated 30,000 yuan for the 14 villages in the township to buy cultural and recreational equipment. Kizilsu Kizgiz Autonomous Prefecture and Akto County have also appropriated 30,000 yuan to help Baren Township build a wire broadcasting network. These measures have fundamentally improved the cultural life and strengthened the ideological and political work in the township. With the new facilities, the township, using the rebellion incident as teaching material, has carried out among the villagers a thorough ideological and political education, urging them to defend the motherland's unification, oppose a national split, and uphold the four cardinal principles. It has also rectified religious affairs, strengthened leadership over religious work, established a complete management system, put an end to religious intervention in administration, judiciary, education and marriage, governed religious activities with law, and protected the freedom of religious belief and the freedom of religious disbelief among the people of various nationalities. All villages have set up "assistance and education groups" to help and educate those who show repentance for involvement in the rebellion. The villages have thus isolated and dealt a blow to a handful of national splittists and remarkably improved public order.

Xinjiang, Gansu Sign Economic Agreement

OW1411203490 Urumqi Xinjiang Television Network in Mandarin 1400 GMT 13 Nov 90

[From the "Xinjiang News" program]

[Text] [Video shows Xinjiang Chairman Tomur Dawamat and Gansu Governor Jia Zhijie signing the economic cooperation minutes, exchanging them, and toasting each other] The ceremony to sign the minutes of the Gansu-Xinjiang economic cooperation talks was held yesterday in Xinjiang People's Hall. Gansu Province Chairman Jia Zhijie and Xinjiang Autonomous Region Chairman Tomur Dawamat signed the minutes of the talks on behalf of Gansu and Xinjiang.

The Gansu provincial economic cooperation study delegation led by Li Ziqi, secretary of the provincial party committee, and Governor Jia Zhijie arrived in Xinjiang by car on 31 October. During their stay, they visited Hami, Kashi, and Turpan Prefectures, Urumqi and Shihezi Cities, and Bortala Mongol, Ili Kazak, and Kizilsu Kirgiz Autonomous Prefectures. After the talks, the two sides reached agreements on 30 cooperation projects, including the joint production of equipment and parts for oil prospecting, the joint operation of cotton mills, the processing of leather, the processing of copper ores, mining and the processing of nonferrous metals, labor contracts, and agrotechnical exchanges. They also agreed to cooperate extensively in 11 fields, including support facilities for the Euro-Asian continental bridge, foreign trade, development of the Turpan-Hami oilfields, the petrochemical and salt industry, the development and application of nonferrous metals, cotton cultivation, and tourism. The two sides agreed to give preferential treatment to each other in the acquisition of land, the supply of raw materials, the formulation of policies, and the supply of goods.

Song Hanliang, Zhang Sixue, Jin Yunhui, and Li Jiayu attended the signing ceremony.

Article Views 'One Country, Two Regions'

OW1311113390 Beijing BEIJING REVIEW in English
No 46, 12-18 Nov 90 pp 14-17

[By Li Jiaquan]

[Text] *The "one country, two regions" is a new concept recently put forward by the Taiwan authorities after the concept of "one country, two governments" was inveighed by domestic and international opinion. It is essentially the same as the old one as both are aimed at maintaining the current separation of the two sides of the Taiwan Strait and obstructing the peaceful reunification of the motherland on the basis of "one country, two systems." The new proposition's positive effect is limited but its negative effect is enormous. It is our hope that the Taiwan authorities will correctly size up the situation, take the overall interest of the Chinese nation into account, set about to promote a dialogue between the two sides of the Taiwan Strait and truly make a due contribution to the reunification of the motherland.*

When, on August 31 this year, the Taiwan authorities put forward the concept of "one country, two regions," their intentions were quite clear. They want to use the idea to replace the policy of "one country, two governments" which has been repeatedly attacked, maintain separation of the two sides of the Taiwan Straits, and hamper the peaceful reunification of the motherland.

Questionable Concept

After the "one country, two regions" formula was proposed by the Taiwan authorities, some officials inside and outside the Kuomintang and some newspapers in Taiwan said the "new concept" was "a reasonable principle for handling the relations between the two sides of the straits." They also asserted that it "accords with the clarity of the state on both sides of the straits and gives it recognition in law and policy." It can "avoid the sensitive political disputes and argument over sovereignty arising from the concepts of 'one country, two systems' and 'one country, two governments.'" It will "prevent the emergence of the tense situation in relations between the two sides of the straits and will be favorable to the solution of substantive issues arising in the development of people-to-people relations between the two sides of the straits." These commentators have declared that the formula "is, comparatively speaking, neutral and shows no partiality to either side. A law formulated on this basis, which governs the relations between the two sides, is, theoretically speaking, probably advantageous, instead of harmful, to both sides."

It should be conceded that the formula of "one country, two regions" appears to be less political and less sensitive than the policies of "one country, two governments," "two Chinas" and "one China, one Taiwan." One Taiwan newspaper said, "It is a 'deliberate blur' with functional purposes." If we get to the bottom of it, however, it has clear aspects that cannot be covered up. Its premise is the maintenance of the separation of the two sides of the

Taiwan Straits and the refusal to accept the pattern of "one country, two systems" for the peaceful reunification of the motherland. This was made clear when the Taiwan authorities proclaimed that the "one country" in the formulation of "one country, two regions" referred to the "republic of China" and said that Taiwan "will not abandon its sovereignty over the mainland." The reason for dividing it into "two regions" is that at present the "area ruled" by the Taiwan authorities "only covers Taiwan, Penghua, Jinmen and Mazu islands." In essence, it is roughly the same as the idea of "one sovereignty, two ruling powers, and the division of one into two separate regimes," contained in the speech delivered by Li Teng-hui, president of the Kuomintang, at the second plenary session of the 13th central committee of the Kuomintang in June 1989. In a previous article, this author criticized Mr. Li Teng-hui for his proposal "which was, in effect, a policy of 'one country, two governments,'" though he did not mention the concept. The latest formulation of "one country, two regions" has the same meaning expressed in different words.

Under the present circumstances when relations between the two sides of the straits are deadlocked, the practice of weakening or sidestepping sensitive political issues may help ease the stalemate. As far as "one country, two regions" is concerned, however, its positive role is quite limited, but its negative impact is enormous. The reason for this is, first, that the concept can apply at most only in the field of civil law. A Taiwan newspaper pointed out that "if the concept is used in other fields relating to the relations between the two sides, we are afraid the possibility for its use is nonexistent." A "law governing the relations between the two sides across the straits" worked out unilaterally on the basis of the concept cannot be accepted by the other party and, therefore, has no binding force for the opposite side.

Second, the concept is inaccurate, because a region can be large or small. A continent is a region, a country is a region. Likewise, a province or a county, a township and a village can also be regarded as a region. As a province of China, Taiwan, like China's other provinces, can be considered a region. If one arbitrarily juxtaposes a province and the entire mainland which encompasses 30 same-level provinces (municipalities) as two equal regions, it would be as ridiculous as comparing Asia or Europe with an individual country or the United States or Japan with a certain province or state. It is, in fact, a practice with a hidden motive, or at least, an unrealistic action.

Third, it will not truly contribute to solving the questions relating to relations between the two sides of the Taiwan Straits. The Taiwan authorities say that in their concept, they adopt a "theory of legal conflict" to resolve legal relationship arising from people-to-people exchanges between the two sides of the Taiwan Straits. They say that this theory "is not only applicable to relations between nations, but also has a precedent for solving relations within the country." Their argument is not convincing. Currently, the "theory of legal conflict" is not used at home or abroad, to resolve disputes over

sovereignty. For instance, some used it for settling disputes between two independent sovereign states and others used it for problems between two local governments in a unified country. In either case there are no sovereign issues involved. Taiwan and the mainland are neither the former nor the latter. There are no conditions for the application of this theory. If this concept is used unilaterally and arbitrarily, it will not help solve the problems but will instead complicate them.

Overt and Covert

When the Taiwan authorities advanced the concept of "one country, two regions," they simply did not say what they meant. Their words are full of contradictions.

While the Taiwan authorities put forward the new "neutral" and "insensitive" concept of "one country, two regions," they instructed their officials and newspapers to publish many nonneutral and highly sensitive speeches which were closely related to the concept of "one country, two regions." The following are some of the main contradictory points:

Stressing the connotations of "one country, two regions," a spokesman for the Government Information Office under the Executive Yuan openly declared that "one country, two regions" was an "expression of sovereignty" and there was no need to consult with or communicate with the regime of the Chinese Communist party." [closing quote marks as published] Mr. Li Teng-hui said even more explicitly that "in reality, it cannot be denied that China has two political entities."

In advertising the "experience" of the reunification of two Germanys, Taiwan officials said that the two Germanys "have undergone the stage of two countries and two governments, and mutual recognition," and "this juxtaposition and coexistence has not caused any impediment to their final reunification." Therefore, "to break the current deadlock between the two sides, both parties might as well start recognizing the lawful existence of the opposite party, accumulate more experience gained through exchanges based on the premise of equality and create conditions for reunification."

Continuing to make false charges against the Chinese Communist Party, the head of the Cultural Trade Union of the Kuomintang central authorities asserted that "the biggest obstacle to the reunification of the two sides of the straits is the Chinese Communist Party's refusal to promote democratic politics and adopt a free market economy, its refusal to clearly renounce the use of military force in the straits and its unwillingness to abandon its obstructionist attitude towards my country's effort to develop relations with foreign countries under the principle of one China." He and the officials want the Chinese Communist Party "to show sincerity and good will" and to make promises in regard to the above points; they regard these as conditions for improving relations between the two sides of the straits. Recently, Taiwan spared no efforts trying to force the Chinese Communist Party to make a concession by threatening

to cool down the "mainland craze" and restrict economic and trade exchanges between the two sides.

Advocating and promoting a "peaceful evolution" in the mainland, Ma Ying-chiu, executive secretary of Taiwan's "mainland work report," said that "democratization of the Chinese Communist Party is the key to reunification of the two sides of the straits." Therefore he said, it is necessary to bring about a gradual change in the mainland in accordance with the Taiwan pattern. Chung Hu-pin, director of the marine trade union of the Kuomintang Central Committee, said in no equivocal terms that the key to the reunification is bringing "information of freedom" and the various exchanges into the mainland.

We can easily see from these remarks that this so-called neutral concept is not "neutral" at all. Except for the packaging and minor points, the latest idea is essentially the same as the old concept of "one country, two governments."

Prospects and Hopes

Since the Taiwan authorities' latest proposal was put forward, there have been some strange and contradictory events on Taiwan island. On the one hand, the Taiwan authorities have tried to cool down the "mainland craze" and formulated new measures to restrict economic and trade exchanges between the island and the mainland. On the other hand, the call for reunification of the motherland has been made in a rising tone. Some of the major party and administration officials emphasize time and again that there is only one China, that China will inevitably be reunified and that any proposal to split China is intolerable. People, although pleased by such statements, cannot help but show grave concern over their other remarks. Recently some key party and administration officials in Taiwan talked glibly about how they would "guide the future reunification of the motherland," saying that they would bring into the mainland Taiwan's political and economic pattern in order to speed up a qualitative change in the communist political and economic system. They have really overrated themselves!

Some words of advice are necessary for such people.

Correctly evaluating the situation is basic. The Taiwan authorities are staking on a change of the socialist system on the mainland and attempting to give impetus to this change. This is a dangerous step. One of the basic lessons which the Kuomintang should have learnt from their rule of the mainland was their mistaken estimates based on their own wishful thinking. They overestimated themselves and underestimated their opponents. There are indications that they have committed the same mistake again. Not long ago, this author, while attending an academic symposium, told a Taiwanese that the mainland's policies of reform and opening to the outside world and its socialist orientation would not be changed. The mainland's socialist system with Chinese characteristics will be perfected step by step and develop in a more healthy way after international and domestic historical experiences have been summed up. The Kuomintang and other political parties in Taiwan should take this fact

as the starting point for their mainland policies. Otherwise, they are sure to commit historical mistakes.

They should adopt an overall point of view. It is of utmost importance to consider the current problems from an overall point of view of the development and rejuvenation of the Chinese nation as a whole. This is the common aspiration cherished by the compatriots from both sides of the Taiwan Straits and by all the patriotic people. It is also the general trend of the times. Whoever acts against this trend and the wishes of the people will certainly be drowned by the tide of historical development. It is necessary to have an overall point of view when handling the relations between the two sides. The mainland is the main body of China; Taiwan is a component part. Just leave aside for the moment the fact that in terms of the domestic and international laws, the People's Republic of China has the sole legal status. In terms of the mainland's territory, population, natural resources and political strength alone, Taiwan cannot and should not ignore the mainland's status as the main body of China. The government on the mainland does not want to overwhelm the island. The Taiwan authorities, however, want to transform the mainland. The idea is unrealistic. If they persist in this view, where will the best interests of the Chinese nation reside? I hope the Taiwan authorities face reality and truly implement the principle of "one China."

The two sides should communicate each other [as published]. The current policies adopted by the ruling groups on both sides of the straits show many common points. Both sides maintain there is only one China and oppose an independent Taiwan. They agree on the need to solve the Taiwan problem peacefully, to improve relations and strengthen mutual exchange. Certainly, there are some differences. Such being the case, the two sides can, in the spirit of "seeking common ground while reserving differences," sit down and discuss the relations between the two sides. Since both sides can negotiate with foreign countries separately, why can't they negotiate with each other? The Kuomintang authorities are unwilling to negotiate with the Communist Party. Do they have misgivings about the Communist Party or about foreign forces? Many are unclear on this point. Sun Yun-hsuan, former president of the Taiwan "Executive Yuan," once said, "Resting content with sovereignty over one part of the country cannot ensure one's own security, and division will inevitably lead to destruction." His words are good for thought. More recently, he told a reporter that "it is possible to reunify the motherland. The wise Chinese people will not accept a delay in reunification; they will find a solution to the problem." These remarks are also thought-provoking. Isn't it good for the two sides of the straits to sit down and talk and come up with a solution?

People have also taken notice that a "committee for the state reunification" was established in Taiwan. It is good to put reunification high on the agenda, but the committee which concerns the future of both sides was formed unilaterally by a few people from the Taiwan side. I do not know on what basis this idea of Mr. Li Teng-hui was thought out. There is some fear, however,

that the committee would actually obstruct reunification in the name of reunification. I hope this fear is unnecessary. We have also taken note of Mr. Li's comments to an American that future reunification would be based on the common will of the Chinese people on both sides of the straits. His words are more positive than those of other Taiwan officials. Taiwan belongs not only to the 20 million Chinese people on the island but also to the 1.1 billion Chinese people on the mainland. Taiwan is an island of the entire Chinese nation.

The world is witnessing great changes and is entering the key moment of the 21st century. This author earnestly hopes for unity and co-operation between the people on both sides of the straits and a flourishing of the Chinese nation. It is hoped, moreover, that all the Chinese people, including the top leaders in Taiwan, will make their due contributions to the reunification of their motherland.

Resolution on 'Taiwan's Sovereignty' Viewed

HK1311082890 Hong Kong LIAOWANG OVERSEAS
EDITION in Chinese No 45, 5 Nov 90 p 20

[Article by Zhu Xianlong (2612 7359 7893): "A 'Taiwan Sovereignty' Resolution Bill Aimed at Splitting China"]

[Text] The Democratic Progress Party [DDP] passed the resolution of the "De Facto Sovereign Independence of Taiwan" at the Second Plenary Session of the Fourth DDP Congress held on 7 October. Once this draft resolution, which strongly tends toward "Taiwan independence", was passed by the DDP Congress, it instantly caused concern among various circles within and outside the island.

What Is the "Taiwan Independence" Resolution Bill Aimed at?

The original title of this resolution was "Taiwan Sovereignty Does Not Cover the Territories of the People's Republic of China and the People's Republic of Mongolia." It was put forward by the "new-wave system" led by Yao Chia-wen and was prepared as a draft resolution for the Second Plenary Session of the Fourth DDP Congress. It was signed by DDP Chairman Huang Hsin-chieh and Secretary General Chang Chun-hung at the DDP Central Standing Committee meeting on 26 September. During the session, under pressure from various quarters, the two factions in the DDP "negotiated" with each other and revised some points in the original draft resolution. It was then passed on 7 October through signing, reading, and applause by over half of the voters. The DDP's main purposes in putting forward the "Taiwan sovereignty" resolution at this time are:

1. Proposing measures regarding Taiwan's "constitutional restructuring." Since the beginning of this year, "constitutional restructuring" has become a focal issue in Taiwan's political evolution. When the "National Affairs Conference" was in session, the DDP and Kuomintang [KMT], through bargaining, reached such common understandings as "overall reelection of the National Assembly," "electing

governors and mayors by the people," "electing the president by the people," and so on. But the two sides remain divided on the precondition for conducting "constitutional restructuring." The KMT authorities maintain that the reform should be conducted on the basis of preserving its "legally constituted authority" without abandoning sovereignty over the mainland; whereas, the DDP stands for a reform based on the abandonment of sovereignty over the mainland and within the "de facto territorial boundaries." After the "National Affairs Conference," the KMT stepped up planning for the "constitutional reform" and established a "planning group for constitutional reform" in the party. It was also decided that the deputies to the present National Assembly would be responsible for "revising the Constitution," that the system of "National Assembly" would be retained, and that the Constitution would be revised by adding supplementary articles to the preserved original text of the "Constitution." It was proposed in the resolution of "Taiwan Has De Facto Sovereign Independence" passed by the DDP that "the future constitutional restructuring and domestic as well foreign policies should be established within the de facto territorial limits." The purpose is to break through the framework of "constitutional reform" preset by the KMT authorities. After passing the resolution of "de facto sovereignty," the DDP pointed out in its declaration: "Acknowledging that Taiwan has de facto sovereign independence will help smash the foundation of the KMT's 40-year-long self-proclaimed rule."

2. Defying a strongman's rule: Since the beginning of the second half of this year, Taiwan's administrative authorities have strengthened social order and cracked down on "rogues engaged in social movements," reducing the number of street movements and cases of violence by a wide margin. It has time and again expressed its willingness to give "lawful punishment" to activities aimed at "Taiwan independence." Consequently, the DDP feels constrained and threatened by a grim situation, so it wants to put on a rival show against the KMT through "Taiwan independence."

3. Openly expressing the party's "objective of pursuit" regarding the development of Taiwan-mainland relations. In recent years, the contact and various exchanges between people on the two sides have become increasingly frequent; the recent Asian Games had an extensive influence on the island, causing a reoccurrence of the "mainland craze" in Taiwan; the Red Cross organizations on both sides reached an agreement on the issue of repatriation in Jinmen; the KMT authorities have recently founded a "National Unification Committee" to "propagate unification." These phenomena have disturbed the DDP, so it wants to express its attitude toward bilateral relations by proposing that "Taiwan has de facto sovereign independence and should decide its own future," in an attempt to establish a "common understanding of sovereign independence" among the people in Taiwan.

The Essence of the "Taiwan Independence" Resolution Bill

The DDP's "Resolution on the De Facto Sovereignty" maintains that "the de facto sovereignty does not cover Mainland China or the People's Republic of Mongolia" and "the future constitutional system and domestic as well as foreign policies should be established within the de facto territorial limits." In order to implement this resolution, the DDP "instructs the party group of the DDP National Assembly and the party group of the Legislative Yuan to help bring about its implementation with their powers and issue a general order to all party branches to spare no effort in propaganda and strive to reach a common understanding among the whole people." "The party branches at all levels and all the comrades in the party should exert all their strength, so as to, when necessary, fight a decisive battle with the KMT." This shows that the DDP will in future take "Taiwan independence" as their major political pursuit, strive to push through their proposal in the "constitutional restructuring" and eventually achieve "Taiwan independence" through "drawing up a constitution," "electing the president by the people," and "overall reelection of the National Assembly."

The DDP, using the reality of the 41-year political division in China (on both sides of the strait) as a basis, tries to "perpetuate" this division and win the acknowledgement of the international community. It is common knowledge that China's territorial sovereignty covers Taiwan. From a historical point of view, the sovereignty over Taiwan has always belonged to China's central governments. Though Taiwan was temporarily ceded to Japan by the "Treaty of Shimonoseki" after the Sino-Japanese War of 1894-1895, it was an unequal treaty. No Chinese governments have ever abandoned sovereignty over Taiwan. The "Cairo Conference" held toward the end of the Second World War and other important international conferences all acknowledged, in no uncertain terms, that Taiwan is part of China's territory. As far as the reality is concerned, that China's sovereignty covers Taiwan is acknowledged by the United Nations and most of the countries in the world. Therefore, the DDP's proposal for "Taiwan independence" is untenable both in terms of history and according to international law. This is in fact clear to some men of insight in the DDP, and therefore they do not approve of the proposition of "Taiwan independence" and have declared that they would probably quit the DDP should the tendency of "Taiwan independence" in the DDP continue to develop.

The KMT's Policy Toward the Mainland Is the Root of the Ideological Trend of "Taiwan Independence"

The most fundamental reason why the proposition of "Taiwan independence" has become a common understanding of the two factions in the DDP and has misled some of the general public is that the KMT authorities have been content to retain sovereignty over Taiwan, rejected all negotiations, practiced the "three no's"

policy, and connived at and tolerated the "Taiwan independence" trend. In recent years, the KMT authorities, under pressure from within and without, have made some adjustments to their policy toward the mainland, but they have continued to stay away from negotiations with the mainland on the issue of reunification. Meanwhile, they have been doing their best to confine the bilateral relations to the one-way communication in the interest of Taiwan only and trying every possible means to cool down the "mainland craze" in various circles in Taiwan. The DDP has a very good idea of this. Consequently, the clamor for "Taiwan independence" runs higher and higher and out comes the "Taiwan independence" resolution bill at an accelerated pace. Therefore, it is believed that the KMT authorities' persistent adherence to the policy of not negotiating with the mainland is the biggest hotbed for the spreading of the ideological trend of "Taiwan independence."

Today, the DDP's resolution bill has put the KMT authorities in a dilemma. If the latter chose to outlaw or punish the former, the two parties will definitely be plunged into a new confrontation. If the KMT refrained from outlawing or punishing the DDP in accordance with the law, the KMT authorities would be shorn of their prestige and it would be even harder for those in power to clear themselves of the accusation of conniving at "Taiwan independence." It would also trigger a strong reaction from the "legally constituted authority" in the party and intensify the internal factious struggle. Therefore, a complex situation would be seen in the relationship between the two parties, and more heated controversies and confrontations would probably happen between them on issues such as "amending the Constitution," "overall reelection of the National Assembly," and "presidential election by the people." This would cause political instability. What would be followed with interest today are the measures the KMT authorities are to adopt to tackle these problems.

Spokesman Shao Yu-ming Outlines Mainland Policy
OW1111040990 Taipei CHUNG YANG JIH PAO
in Chinese 6 Nov 90

[By Chang Shih-Min]

[Text] Taipei—Shao Yu-ming, government spokesman and director general of the Government Information Office, stated on 4 November: The government reached a consensus on its mainland policy and formed a basic idea as to what direction and how to pursue the policy. It will give top priority to stepping up cultural exchanges and dissemination across the strait. Economic exchanges will come next, followed by politics. How far we will pursue the three areas will depend on communist China's response. If communist China responds with goodwill, we can gradually expand from cultural exchanges to economic and trade intercourse and then to political contacts.

Shao Yu-ming indicated in an interview: As far as relations between the two sides of the strait are concerned, the government basically would like both sides to treat each other with goodwill and work for the goal of peaceful reunification. In terms of politics, however, communist and democratic systems can hardly compromise. If communist China could not give up their "four adherences," we would not sacrifice our free and democratic way of life; therefore, the political differences between the two sides of the strait could not be solved.

He stated: Economically, if we rushed to have direct economic and trade intercourse with communist China without careful consideration, we might find ourselves faced with the following consequences: 1) This might lead to a "blood-letting" in our economy. 2) This might beef up communist China's economic strength; and through economic growth, communist China might further consolidate its political rule and prolong its regime. 3) Should we get ourselves too deeply involved with the mainland in economic and trade relations, our economic lifeline might fall under the control of communist China and become its economic "hostage." Communist China could use it to put pressure on us or for political extortion.

Shao Yu-ming elaborated with examples: If businessmen as well as medium- and small-sized enterprises on Taiwan all rushed over and set up factories and invested in the mainland with large amounts of money, communist China could seize these economic interests and force our government to make political concessions. If our government refused to give in, communist China could adopt policies overnight which would put Taiwan businessmen in disadvantage. Those Taiwan businessmen and entrepreneurs who invested and set up factories in the mainland would be forced to protect their property and economic interests by putting pressure on our government, demanding it to yield to communist China. This would result in severe harm to the whole country. That is why the government at present does not allow direct economic and trade relations with the mainland.

Shao Yu-ming stressed: Presently, in the development of cross-strait relations, cultural exchange is the least possible course that may entail unwanted consequences. If communist China did not respond to our cultural exchange with goodwill, we could stop it at any time as we have control over it. In addition, by way of cultural dissemination, we could spread the ideologies of freedom and democracy as well as the Taiwan experience to Mainland China and achieve a qualitative change through a quantitative change. Therefore, the government's current mainland policy will first focus on cultural exchange.

In order for cross-strait relations to improve substantially, it is a prerequisite that communist China respond to us with goodwill. In other words, as President Li said in his inaugural speech last May, communist China should practise democratic politics and free economy, give up the use of force in the Taiwan Strait, and stay out of our way as we pursue our foreign relations under the premise of one China. In return, we would be willing to establish communications channels with them on an equal basis, and launch all-around academic, cultural, economic, trade, scientific, and technological exchanges. In addition, on the basis of mutual respect and peaceful co-prosperity, when objective conditions are ripe, we will discuss the reunification issue with them in accordance with the public will of the Chinese people on both sides of the strait. This also is the basic framework and direction of the government's mainland policy.

Mainland's Taiwan Policy Considered Unacceptable

OW1311020290 Taipei Domestic Service
in Mandarin 2300 GMT 11 Nov 90

[From the "National Hookup" program]

[Text] Ma Ying-chiu, vice chairman of the Mainland Affairs Commission of the Executive Yuan, pointed out on 11 November that communist China's policy toward Taiwan is like using honey and machine guns at the same time to [words indistinct]; that no one can accept it; and that we should be realistic instead of cherishing romantic sentiments about China's reunification.

At the invitation of the Kaohsiung city party branch of the ruling party, Ma Ying-chiu delivered a special speech on mainland policy and the relations between the two sides of the Taiwan Strait at a national affairs forum with the city's industrial and commercial sectors. He said that we should not cherish romantic sentiments about China's reunification until hostility harbored by communist China is entirely eliminated.

Ma Ying-chiu said: In fact, the dispute over the concept of one country, two systems proposed by communist China does not lie in two systems but in one country. Communist China is deliberate in its attempts to make Taiwan a local government and is politically bringing about a situation of using both honey and machine guns at the same time to [words indistinct]. It is unacceptable at present.

He said that our government will abide by the principle of combining administration and guidance in formulating and pursuing an organized mainland policy based on the legal system.

Wuer Kaixi Says Mainland Craves Democracy

*OW1411065790 Taipei CNA in English 0236 GMT
14 Nov 90*

[Text] Taipei, Nov. 14 (CNA)—Wuer Kaixi, a Mainland Chinese dissident leader of the 1989 Tiananmen pro-democracy movement, said here Tuesday that Taiwan's experience in promoting democracy and its economic prosperity can serve as an effective stimulant for the democratization of all China.

Speaking at a symposium on "The Pro-Democracy Movement and the Future of China" in Taipei, he said China's hope lies in the promotion of democracy and freedom in the Chinese mainland.

The Chinese Communist regime denies freedom of speech to all Mainland Chinese, thus making them crave all the more for democracy, Wuer said.

He called upon all Chinese at home and abroad to unite in order to establish a free and democratic system in China.

Wuer Kaixi, who fled the Chinese mainland after the Tiananmen incident, arrived here in late October for a visit and a health checkup.

Official on Cultural Exchanges With PRC

*OW1111033790 Taipei CHUNG YANG JIH PAO
in Chinese 6 Nov 90 p 1*

["Exclusive interview" with Shao Yu-ming, director general of the Government Information Office, by Chang Shih-min]

[Text] Faced with the fast development of relations across the strait, our government has decided to focus on strengthening cultural exchanges in implementing its mainland policy. People are concerned whether the government currently has a clear-cut policy on cultural exchanges with the mainland, as well as the substance of existing cultural policy toward Mainland China.

Shao Yu-ming, director general of the Government Information Office (GIO), said emphatically: Cultural exchanges across the strait are to be conducted on a reciprocal basis. If communist China would completely allow our cultural products into the mainland, we could consider a similar move.

The following are excerpts from the interview:

As the authority in charge of publication, broadcasting, television, movies, and other cultural endeavors, the GIO has explored ways to step up cultural dissemination on the mainland since the relaxation of relations across the strait.

The GIO first studied the cultural exchanges between East and West Germany and found that West Germany started adopting a "policy of Eastern expeditions" in 1969. After the signing of an agreement on cultural exchanges in 1986, East and West Germany began to conduct massive exchanges of radio and television programs, newspapers, books, and periodicals. The exchanges were so frequent that the West German Government eventually conquered the souls of East Germans and converted them to the concepts of freedom and democracy and the political system based on such concepts. This, in turn, led to German unification.

The examples of cultural exchanges between East and West Germany have greatly bolstered our confidence. We have come to realize that a superior culture can defeat an inferior culture. Accordingly, in the past three years, the GIO has encouraged local people to introduce all kinds of good radio and television programs, movies, newspapers, magazines, books, and periodicals into the mainland through various channels.

We must first, however, allow the limited importation of mainland publications, if we want to induce communist China to gradually abolish its restrictions on our publications and thus facilitate the entry of our cultural products into the mainland. Therefore, the GIO has decided to allow mainland publications into Taiwan, provided they do not preach communism and compromise our national interests. Moreover, Taiwan's publishing houses are now permitted to publish and distribute mainland works with the consent and authorization of the original authors. We insist on obtaining the consent of the original authors for the following three reasons: First, we hope to avoid being accused of "financing the communists" with royalties that might be obtained by Communist China's "People's Publishing House." Second, we hope to protect intellectual property through royalty payments to the original authors. Third, we hope to show that we care about mainland intellectuals.

The book "We Are Making History," by mainland democracy fighter Mr. Fang Li-chih [Fang Lizhi], was published and distributed in Taiwan in accordance with the above-mentioned principles. It is the first mainland work to be published in Taiwan. To step up cultural dissemination on the mainland, the GIO proposed to the Executive Yuan's Mainland Affairs Task Force that local reporters be allowed to cover news on the mainland, and that local radio and television stations be permitted to shoot films in Mainland China. The proposal was adopted by the task force on 17 April 1989, before the opening of the Asian Development Bank's annual convention. Members of the mass media, therefore, became the first group of local people to conduct cultural exchanges with the mainland.

Thanks to the lifting of the ban on news coverage by local reporters on the mainland, the 20 million compatriots on Taiwan were able to form a clear picture of the "4 June Tiananmen Incident," which was fully covered by our

reporters stationed there. Besides, the freedom of the press and news coverage enjoyed by our reporters inspired the newsmen in Mainland China. More than 1,000 mainland media people took to the streets to protest during the Tienanmen Incident. It was a contribution of our mass media people.

To promote cultural dissemination on the mainland, we will allow our newspapers to be circulated in Mainland China. We will also permit the publication of our magazines and books, the broadcasting of our radio and television programs, and the showing of our movies.

In essence, our policy on cultural exchanges across the strait works on the principle that if communist China allowed massive amounts of our cultural products into the mainland, we would respond in kind.

At present, exchanges of news, information, and reporters are permitted across the strait. However, because of the "Regulations on the Punishment of Seditious Acts," our government must ask mainland reporters with Communist Party membership to renounce their ties with communist organizations before letting them into Taiwan. This is a legal provision. Because of this provision, communist China has criticized our mainland cultural policy as being unfair.

This problem can be resolved in the future, when legislation of the regulations governing relations across the strait is completed. Under the regulations, CPC members will not have to renounce their ties with communist organizations when visiting Taiwan, provided their visits have been approved by our government and they report their identities to the authorities. However, even if mainland reporters with Communist Party membership are allowed to freely cover news on Taiwan, it is still dubious whether the exchanges of news and information across the strait would be conducted on the basis of reciprocity or balanced reportage. Currently, our news media give extensive coverage to mainland news, devoting entire pages to reporting it truthfully. In reporting on Taiwan, however, mainland media either give it short shrift or provide maliciously disparaging reports. Unless communist China accepts the freedom of the press and speech, exchanges of news and information across the strait cannot be truly reciprocal.

Ceremony Commemorates Dr Sun Yat-sen's Birthday

*OW1211211790 Taipei CNA in English 1459 GMT
12 Nov 90*

[Text] Taipei, Nov. 1 (CNA)—President Lie Teng-hui Monday led the nation in showing respect to the memory of Dr. Sun Yat-sen, the Republic of China's founding father, in a commemoration ceremony marking the anniversary of the late Chinese leader's 125th birth.

Dr. Sun, born in 1866, played a key role in the revolutionary moment that led to the overthrow of the Ching Dynasty in 1911. When the Republic of China was founded in 1912, he was elected provisional president,

but he stepped down voluntarily in an attempt to secure national unity and political harmony.

In the last years of his life before he died in Peking in March 1925, the respected statesman devoted himself to outlining national development programs which he hoped would help build an independent, democratic and prosperous China.

Dr. Sun's political ideals were summarized in a set of doctrines called the Three Principles of the People, which were later adopted as the Republic of China's fundamental national policies and have been successfully implemented on Taiwan after the government moved to the island in 1949.

The memorial service at the Presidential Office was attended by more than 400 people, including Vice President Li Yuan-ch'u, the Sun family, central and local government leaders and parliamentarians.

Similar events took place throughout the nation over the weekend.

Saudi Arabia Issues Warning on Iraqi Terrorists

*OW1311182790 Taipei Domestic Service
in Mandarin 2300 GMT 12 Nov 90*

[Text] According to a CHUNG YANG JIH PAO report, the Far East is threatened by terrorist activities due to the likelihood of war in the Gulf region. A warning issued by Saudi Arabia points out that while repeatedly threatening to use chemical weapons in a war against the multinational forces in the Gulf area, Iraq is secretly preparing to launch terrorist activities away from the Middle East and is dispatching terrorists to the Far East. Saudi Arabia recently issued an early warning, together with relevant information, to Far East nations.

Our government received a written warning from Saudi Arabia a few days ago. Major security organizations, such as the National Police Administration, the Investigation Bureau, and the Taiwan Garrison General Headquarters, have been informed of the warning. They have made adequate preparations and taken strict preventive measures against any possible Iraqi terrorist activities in the region. A National Police Administration official said that we definitely do not permit international terrorists to use Taiwan as their arena of terrorism.

Tiaoyutai Included in Taiwan's Economic Zone

*OW1211192890 Taipei International Service
in English 0200 GMT 12 Nov 90*

[Text] ROC [Republic of China] Government official Saturday said a proposal by the Ministry of Interior will clarify the ROC's 200-mile economic zone around Taiwan and added that the zone includes the disputed Tiaoyutai [Senkaku] Islands. The ROC officially announced the 200-mile zone 6 September 1979 but the government never clarified the zone's limits nor provided for effective enforcement. The Interior Ministry's

proposal is designed to define the duties of the proposed ROC Coast Guard which is now being formed. Protection of Taiwan's fishing vessels currently extends to a 24-nautical-mile limit, but the rising number of incidents of Mainland Chinese attacking and robbing Taiwan vessels has increased the need to improve protection for fishermen. In addition, Taiwan's fishermen have lost access to valuable fishing ground in Southeast Asia and around Japan and Korea where economic zones have already been declared.

Japan's claim on the Tiaoyutai's and subsequent chasing of Taiwan fishermen away from the islands which are situated northeast of Taiwan near the Ryukyu Islands has prompted more calls for better protection of Taiwan's fishing rights.

Chinese in Washington Protest Japanese Claim

*OW1211043190 Taipei CNA in English 0336 GMT
12 Nov 90*

[Text] Washington, Nov 11 (CNA)—Some 300 Chinese from Taiwan, the Chinese mainland and Hong Kong staged a demonstration Sunday in front of the Japanese Embassy to protest Japan's claim to the Tiaoyutai Islands, located on the Continental Shelf of China some 100 sea miles north of Taiwan.

Carrying placards with Anti-Japanese phrases in both English and Chinese, the group marched along the famous "Embassy Row" on Massachusetts Avenue and shouted such slogans as "Japanese Get Out of Tiaoyutai," "Down With Japanese Militarism," and "Boycott Japanese Goods, Buy American."

As the protestors reached the Japanese Embassy, Li Chun-chi, chairman of the Chinese Consolidated Benevolent Association (Chung Hua Hui Kuan) entered the embassy and presented a letter protesting Japan's "unreasonable" claim to Chinese territory and insisting that the Tiaoyutai Islands are an integral part of China. A Japanese Embassy official accepted the letter on behalf of the Japanese ambassador.

The Chinese protestors also distributed leaflets along the streets to passersby to remind them not to forget Pearl Harbor.

The leaflet, jointly prepared by five Chinese associations in Washington, called the world's attention to the fact that Japan must not be allowed to use military force again to invade territories not under Japanese jurisdiction.

"The Japanese Government has not yet apologized to the world for what they did to the people of China and Southeast Asia" during World War II. During the past decade, Japan has become increasingly arrogant, trying to rewrite history to gloss over their war crimes, the leaflet said.

The Tiaoyutai incident in recent months is proof of what the Japanese are trying to do to expand their military might by using their naval forces to prevent Chinese people from setting foot on their own territory, it said.

The protest was sparked by an incident in late October in which Japanese aircraft and ships had blocked a torch relay of the Taiwan regional sports meet to Tiaoyutai Island. Similar protests to Japan have also taken place in other major cities of the United States, including Los Angeles, San Francisco and New York.

China Petroleum Targets Burma for Oil Exploration

*OW1411065690 Taipei CNA in English 0302 GMT
14 Nov 90*

[Text] Taipei, Nov. 14 (CNA)—To step up overseas oil exploration, the Chinese Petroleum Corp. (CPC) has decided to send a group to Burma now Myanmar, before the end of November for on-the-spot surveys and information collection.

After studying the data provided by foreign petroleum sources, CPC recently became positive that Burma has rich oil and natural gas deposits. The company is eager to reach the virtually untapped ground and establish a foothold there before competitors arrive en masse.

CPC noted that further study will follow the group's return. If the efforts can be profitable, CPC will approach Kangoon for permission to conduct exploration.

Hong Kong

Diplomatic Corps Expected To Continue Growing

HK1211023390 Hong Kong SOUTH CHINA
MORNING POST in English 12 Nov 90 p 2

[By Simon Macklin]

[Text] The diplomatic community in Hong Kong is growing, with foreign governments expanding their missions and new offices opening up.

Staff in the Government Protocol Office, which takes care of diplomatic staff here, said that at the end of 1986 there were 70 foreign missions in the territory but there are now at least 85 recognised missions.

The number is expected to multiply over the next few years as changes in Eastern Europe are expected to lead former Eastern Bloc countries to open offices here.

Many existing consular offices are seeking to expand.

Consulates in Hong Kong have also been upgraded with many nations raising their mission here from that of an honorary consulate to a full staff post.

The latest office to be opened was a Turkish mission which was gazetted on Friday as establishing a full consulate in the territory.

The European Community has sought permission to open a mission in Hong Kong next year and other international bodies such as the International Committee of the Red Cross have also recently set up full offices.

Recent increases in emigration have led consulates to seek further staff to help process applications.

Hong Kong has the second biggest United States consulate in the world with more than 40 posts but the mission has applied to Washington for an extra 10 staff.

At present, 35 staff at the American consulate are handling visa applications but senior staff are worried they will be swamped following recent changes in U.S. immigration law.

The Australian Consulate General is the country's eighth largest overseas mission with 44 Australian staff, up from 22 five years ago.

The mission has also recruited an additional local staff over the last year and is negotiating to fill another 10 local posts.

The Canadian Commission is Ottawa's largest overseas immigration post with almost half of the 40 posts devoted to processing migrants.

In the past, there was an unofficial block on Soviet Bloc missions opening offices here out of deference to China.

But officials say warming relations with these countries and growth in trade make it likely they will be encouraged to open consulate offices here.

At present, Cuba is the only Soviet bloc nation with a consulate in the territory.

Consul Generals and other leaders of foreign missions in the territory are officially accredited to the British Government and hold letters of office signed and sealed by the Queen.

Staff here are accorded consular officer status, affording slightly less protection than that of diplomatic status under international agreements.

But because of the importance of the post, many heads of mission here are accorded ambassadorial status by their own governments.

PRC To Probe 'Malpractices' in China-Owned Firms

HK0911030590 Hong Kong HONGKONG STANDARD
in English 9 Nov 90 p 10

[Text] The Hong Kong and Macao Affairs Office will send a delegation to Hong Kong to look into alleged malpractices in China-owned enterprises here.

Deputy Director of the XINHUA News Agency, Zheng Hua, yesterday said the team would assist Mr Wang Pingqing, another XINHUA deputy director, in "cleaning up" the mainland-funded enterprises.

Mr Wang was dispatched to Hong Kong several months ago to help reorganize firms which had been accused of malpractices.

Mr Zheng was tight-lipped about the composition of the team. But he said that Mr Lu Ping, the Deputy Director of the Hong Kong and Macao Affairs Office, would not be included. He also did not say when the team would arrive in the territory.

Observers said the decision to send the team underlined the seriousness of the problems and Beijing's determination to rectify them.

Urban Council Delegation Leaves for Beijing

OW1211114890 Beijing XINHUA in English
1056 GMT 12 Nov 90

[Text] Hong Kong, November 12 (XINHUA)—A 29-member delegation of the Urban Council of Hong Kong today left here for Beijing on a nine-day visit to China.

Led by the council's chairman H.M.G. Forsgate and Director of Urban Services James So, the delegation will visit three major Chinese cities, Beijing, Xian and Nanjing, to see at first hand their facilities including museums and libraries, sporting venues as well as dancing and music academies.

Forsgate said before his departure: "The purpose of the visit is to further enhance the close links already established between the council and China during the council's previous visits in 1979, 1986 and 1987."

"In addition, the opportunity is taken for us to widen our contacts with the sports and cultural authorities in China and to discuss matters of mutual interests with our counterparts in these cities," he added.

Ji Pengfei Meets Polytechnical College Director

OW151112590 Beijing XINHUA in English
1046 GMT 15 Nov 90

[Text] Beijing, November 15 (XINHUA)—Ji Pengfei, director of the Hong Kong and Macao Affairs Office of the State Council, met here today with a delegation from the City Polytechnic College of Hong Kong headed by its Director Cheng Yin-chung.

Macao

PRC Official on Awarding of Airport Contract

HK0911025190 Hong Kong SOUTH CHINA
MORNING POST in English 9 Nov 90 p 7

[By Adam Lee in Macao]

[Text] A senior Chinese official yesterday expressed concern over the Government's decision to award an airport construction contract before a dispute over noise pollution had been resolved.

The Macao Under-Secretary for Transport and Public Works, Mr Luis Vasconcelos, announced on Tuesday that the 1.2-billion-pataca (HK\$1.18 billion) contract for the construction of the airport runway had been awarded to a Dutch consortium.

The director of the Macao Branch New China News Agency (NCNA), Mr Guo Dongpo, said the normal practice would have been to solve the noise problem before taking a decision on the contract.

"I am sure both sides (China and Portugal) are unwilling to see the area contaminated by noise pollution," the de facto Chinese official representative in the enclave said.

He said that both Macao and China specialists on air traffic and environmental protection had met recently over the problem and further talks were due to be held in the near future.

Authorities in Zhuhai have complained that the proposed direction of the international airport's runway would cause noise pollution in Zhuhai and they have suggested that its direction be changed.

DPRK 'Connection' at Center of 'Visa Mystery'

HK1211020190 Hong Kong SOUTH CHINA
MORNING POST in English 12 Nov 90 p 3

[By Barry Grindrod & Adam Lee in Macao]

[Text] Macao's murky North Korean connection is at the centre of a visa mystery.

Taipei has reported that Taiwanese can obtain North Korean visas in Macao at the offices of a trading company generally regarded as Pyongyang's quasi official mission in the Portuguese-administered enclave.

Taiwan legislator Mr Chang Shih-liang said he was in Macao on November 5 and met North Korean representatives to discuss travel arrangements for Taiwanese wanting to travel to North Korea for tourism or business.

Mr Chang said an agreement had been reached that from November 15 Taiwan people could obtain visas from the offices of the Chiu Kwong Trading Company in Macao with the whole application procedure being completed in one day.

But when the SOUTH CHINA MORNING POST rang Chiu Kwong we were told the company had nothing to do with the North Korea Government and was purely an import-export company.

North Korea's Deputy Director of Tourism, Mr Jong Ju-song, said on a visit to Macao in June last year that the Pyongyang Government was considering issuing visas to Macao and Hong Kong visitors from Macao.

In August, the former deputy prime minister of North Korea, Dr Lee Ho-hyok, announced in Macao that a Hong Kong-based trading company, Talented Dragon, would open an office in Macao in September through which visas would be issued. Nothing has happened since then.

Macao residents wanting to travel to North Korea have to get their visas from Beijing's North Korean mission.

It is felt that Macao is an ideal location for North Korea's covert operations as it provides easy access to the non-communist world from China, one of its few allies.

It is estimated that there are more than 50 North Koreans in Macao.

A North Korean woman terrorist, Kim Hyon-hui, who with an accomplice blew up a KAL airliner killing all 115 people on board, said during her interrogation that she had spent part of 1986 and 1987 in Macao during her training in espionage and sabotage.

Two months ago a suspected North Korean spy who claimed he was a Hong Kong resident had his Hong Kong identity card confiscated.

From an address in Macao, where he was known to have lived with the terrorist Kim, he applied to have the card reissued but dropped his application at the last minute without explanation.

Dutch Firm Reportedly To Build Airport Runway

HK0711030090 Hong Kong SOUTH CHINA
MORNING POST
(BUSINESS POST) in English 7 Nov 90 p 1

[By Adam Lee in Macao]

[Text] A Dutch consortium has won the billion-dollar contract to build the runway of Macao's international airport.

The Under-Secretary for Transport and Public Works, Mr Luis Vasconcelos, said the consortium, led by Ballast Nedam, comprised Portuguese engineering firm Construcoes Tecnicas and Italian company Condottes.

The consortium beat three other bidders which placed tenders with the Macao International Airport Co (CAM) in June.

The concrete runway carries a price tag of about 1.2 billion patacas (about HK41.2 billion), about one-third of the total value of the airport project.

Another group, formed by Macao and Hong Kong businessmen Stanley Ho, Ng Fok and Edmond Ho Hau-va, is negotiating with CAM for the contract for the land reclamation and related works for the runway, worth about 2.2 billion patacas.

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